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NEW YORK HIGH-INTENSITY DRUG TRAFFICKING AREAS

HEARING

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

SECOND SESSION

SPECIAL HEARING

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NEW YORK HIGH-INTENSITY DRUG TRAFFICKING AREA

MONDAY, JUNE 25, 1990

U.S. SENATE,
SUBCOMMITTEE ON TREASURY, POSTAL SERVICE,
AND GENERAL GOVERNMENT,
COMMITTEE ON APPROPRIATIONS,
New York, NY.

The subcommittee met at 10:25 a.m., at 1 Federal Plaza, New York, NY, Hon. Dennis DeConcini (chairman) presiding.

Presiding: Senators DeConcini and D'Amato.

NONDEPARTMENTAL WITNESSES

OPENING REMARKS OF SENATOR DECONCINI

Senator DECONCINI. The Subcommittee on Treasury, Postal Service, and General Government will come to order.

It is my pleasure to be here today in New York City amongst some of this Nation's most experienced and knowledgeable individuals on the subject of drug control policy, to discuss the high-intensity drug trafficking area designation for this city.

I want to welcome all of the distinguished witnesses who have agreed to participate in today's hearing. Your testimony will help us make intelligent decisions in Washington when it comes to the allocation of scarce Federal resources and the development of a coordinated national drug control policy.

I also want to take this opportunity to thank and compliment my fellow colleague on the Appropriations Committee and long-time friend, Senator Alfonse D'Amato, for suggesting this very important and timely hearing on what I consider to be the biggest problem facing our country today.

You are fortunate to have Alfonse D'Amato as a Member of the U.S. Senate. His long-standing commitment to the Nation's war on drugs and his reputation for being tough on enforcement has made him an effective advocate on drug policy in the Nation's Capitol as well as here in the State of New York.

My ranking member on the subcommittee, Senator Pete Domenici, was originally scheduled to be here today but had to change his plans at the last minute to attend a meeting on the budget summit in Washington.

I know we have many witnesses scheduled to testify this morning, so I will keep my remarks brief.

The areas encompassing New York City, Houston, Miami, Los Angeles, and the Southwest border are the five areas of the Nation recently designated by the Office of National Drug Control Policy as high-intensity drug trafficking areas. As a result, these areas are intended to become the focal point of additional Federal anti-drug assistance and enforcement efforts, and the target of a coordinated Federal-State-local response.

The purpose of this hearing is to discuss the proposed strategic plan to reduce the incidence of drug trafficking in New York City and the recommendations made by those individuals who participated in the plan's formulation. In addition, we intend to discuss how the funding provided through the various Federal agency budgets, and the $25 million which the Congress appropriated this fiscal year to enhance assistance to the five high-intensity areas, will be spent.

The administration has proposed to raise this amount to $50 million in fiscal year 1991 and this subcommittee wants to be sure that the current year funds are being put to effective use.

We hope the Federal and local officials appearing before the committee today will be in a position to discuss the problems drug trafficking presents for the New York City area; how the high-intensity drug trafficking area designation will help address these problems; and the additional Federal assistance which will be needed as a result of this designation.

The U.S. Justice Department has been given lead agency responsibility for developing and implementing the New York City high-intensity drug trafficking area plan, and for coordinating Federal assistance in this area with State and local efforts. This subcommittee has not had an opportunity to review the plan for the New York City high-intensity drug trafficking area, but we hope to learn that information today from witnesses from the Department of Justice and the Office of National Drug Control Policy.

There is no doubt that as we wage our war against drugs, all levels of government must work together. Any assistance from the Federal Government is worthless unless it is coordinated with State and local law efforts. I hope what we will hear today is that the plan for New York will bring all elements of law enforcement together to work toward one common objective—that is, reducing the level of violence caused by the growing drug epidemic in the housing projects, on the streets, and in the schools and neighborhoods of this city.

I look forward to discussing these matters with our distinguished witnesses this morning, and I now yield to the very able Senator from New York, Senator D'Amato, for any opening remarks he may wish to make at this time.

STATEMENT BY SENATOR ALFONSE M. D'AMATO

Senator D'AMATO. Chairman DeConcini, I want to welcome you to New York, and to thank you for agreeing to hold this important hearing on the New York high-intensity drug trafficking area.

In addition to addressing some of the problems with this program, which will spend up to $75 million this year and next in five areas nationwide—New York, Southwest border, Miami, Los Ange-

les, and Houston—and up to $14 million in New York, we will also examine:

Evidence of a major reemergence of the heroin threat in the New York area;

A surge in drug dealers' use not just of semiautomatic weapons but of explosives and even antitank weapons;

The still unresolved issue of whether there is or is not a shortage of cocaine and a significant increase in cocaine prices at the wholesale level in this area;

And the resource needs of agencies charged with combating drug trafficking in our area.

As yesterday's raids by the Bureau of Alcohol, Tobacco and Firearms [ATF], the New York City Police Department, and the housing police dramatize, the New York metropolitan area is in many ways literally a war zone.

In 1989, ATF investigated 81 drug-related bombings and attempted bombings, involving 13 deaths, and 17 injuries. This is a tenfold increase since 1987. Four of these cases occurred in New York. In one case, ATF agents seized drugs, TNT, and a light antitank weapon, also known as a LAW rocket or bazooka.

With respect to resources, the FBI will testify that the resources assigned to the drug program are constantly stretched above what normally can be expected.

While resources are stretched, there is mounting evidence of an alarming increase in the heroin threat. The FBI tells us:

Heroin use may be increasing among our young people. The Customs Service reports:

There was a 20-percent increase in the amount of heroin seized in New York between 1988 and 1989;

New York's percentage of total seizures increased from 38 percent in 1988 to 58 percent in 1989;

And so far in 1990, the amount of heroin seized in New York is 77 percent higher than this time 1 year ago.

There are two major problems with the high-intensity drug trafficking area program.

First, I am not pleased with the slow pace of implementation and decisionmaking.

Second, I believe the failure to address drug demand issues like treatment and prevention is a major mistake that needs to be reexamined at the highest levels and corrected.

In the first drug strategy issued in September 1989, it was clear the administration intended to address the treatment and prevention needs of high-intensity drug trafficking areas.

Page 130 of that strategy states:

The administration intends to analyze a broad range of data concerning each proposed high-intensity drug trafficking area. Such data might include: emergency room statistics * * * and the length of drug treatment waiting lists * * *.

Jurisdictions designed as high-intensity drug trafficking areas will be eligible for Federal support in a range of areas. Activities which might be supported include: Criminal justice initiatives; drug treatment initiatives—expansion of treatment facilities; prevention initiatives—support for community and workplace efforts; and public housing initiatives—waivers of HUD regulations to facilitate evictions and establishment of drug-free public housing units with picture identification cards and security fences.

That was September—scarcely 9 months ago. What happened to the initiatives for treatment, prevention, and public housing?

Mr. Chairman, five high-intensity drug trafficking areas—New York, Southwest border, Houston, Miami, and Los Angeles—were announced in January. But the Justice Department only submitted its recommendations to the drug czar's office last Wednesday—June 20.

We only learned on Thursday that New York's share of the $25 million appropriated for the first year of this program will be $4 million, including: $1,150,000 to relocate up to 30 additional Federal drug agents to New York from other parts of the country; and $2,850,000 for equipment, mostly for electronic and physical surveillance.

The administration has requested $50 million for this program nationwide—and we expect New York's share of that to be between $8 million and $10 million.

One purpose of this hearing is to prod the Justice Department and the drug czar's office to act much more quickly with respect to the allocation and use of those funds when they are appropriated.

Now that the Justice Department's proposal has been completed, and submitted to the drug czar, we can examine the following issues:

One, what specifically is in the plan for the New York high-intensity drug trafficking area?

Two, exactly how many Federal personnel will be reassigned to New York?

Three, with only 3 months left in this fiscal year to obligate the $25 million that Congress appropriated last year, is there any danger that a portion of these funds may lapse, and what steps are being taken to make sure that does not happen?

Four, the President's drug strategy indicates that State and local governments in high-intensity drug trafficking areas may receive special consideration for Federal antidrug grants. Are there any plans to give priority to high-intensity drug trafficking area grant applications?

Five, ultimately, who is responsible for this entire program? Is it the drug czar? Is it the Justice Department or the Treasury Department? Where exactly does the buck stop?

In other words: What's the plan? Where's the money? And who's in charge?

I also plan to ask for the addition of Westchester County to the New York high-intensity drug trafficking area.

I hope with today's hearing, we can address all these issues, and help ensure that New York and the other high-intensity drug trafficking areas get more of the help they need—not just for drug enforcement, but for treatment, and prevention—with as little bureaucratic delay as possible.

Thank you very much.

I would take this opportunity to make several observations.

First of all, I am not pleased with the pace of implementation of the high-intensity drug trafficking areas program, or with the allocation of the funds and what they are going to be used for.

As we go into the second phase this coming year we will see an increase, a doubling of the funding levels, which will mean $8 to $10 million for New York.

I hope that is going to be increased significantly in the years to come.

I don't think that it makes much sense to build a B-2 bomber at $800 million, and Senator DeConcini has expressed his views on this, and then give a paltry sum to the New York area and say that this is a big bonanza. I would like to see the resources increased.

The resources, as limited as they are, should be going into the areas of greatest concern.

We need efforts with respect to public housing to make them a safe place, so far, the effort at fighting the drug dealers has been insignificant. The treatment and prevention aspect is something that I want to know about.

I thank the chairman for coming here to New York to hold these hearings and for making possible new ATF resources that we wouldn't have had. We have a strike team, the ATF strike team, that was set up as a pilot program, which Senator DeConcini was responsible for allocating the funds for.

Tripling that amount this year, hopefully we can help more people to live here in dignity.

I thank you on behalf of all New Yorkers.

I have a formal statement I will submit for the record.

Senator DECONCINI. Thank you very much.

STATEMENT OF STERLING JOHNSON, NEW YORK CITY SPECIAL NARCOTICS PROSECUTOR

Senator DECONCINI. We will turn to Sterling Johnson, who has testified before the Senate Judiciary Committee and who has given us information that helped us formulate the Senate's major drug bill.

We in Arizona have something in common with you New Yorkers in that we, also, live in a high-intensity drug trafficking area.

Mr. JOHNSON. Good morning.

Mr. Chairman, members of the subcommittee, thank you for inviting me to testify on the designation of New York City as a high-intensity drug trafficking area as well as on the resources that have been allocated through this initiative.

To begin with, I am gratified that the Federal Government has recognized the serious nature of the drug situation in New York City.

I am a law enforcement official and have been for nearly 35 years, but I will be the first to tell you that the drug crisis cannot and will not be solved by the criminal justice system alone.

Education, prevention, and treatment efforts must be equally important components in any plan or strategy that attempts to comprehensively address the drug problem in this city.

This is especially true when one considers the critical nature of our situation. Our reality is one where crack is freely flowing through our streets, which has in turn resulted in an unprecedented escalation in drug-related violence and attendant crime.

Our losses in human and economic resources are immeasurable. The crisis has stretched our law enforcement resources to the limit.

Last year, there were over 300,000 arrests in New York City; over 100,000 of these were for the sale or possession of narcotics.

Drug arrests were more than doubled in New York City in the past 4 years—from 46,860 in 1985 to the approximately 100,000 I have cited for last year. An estimated 83 percent of those arrested had cocaine in their system.

In 1989, we had more than 1,900 homicides, including a growing number of innocent victims of warring drug gangs and drive-by shootings.

Nearly 50 percent of all illegal drugs coming into the country are entering through New York City. Law enforcement agencies predict bumper crops of opium and cocaine which will result in even greater quantities of drugs entering through our doors.

Every institution in our system is feeling the effects of the crisis. Court calendars are running at more than maximum capacity. We need more judges and prosecutors, and we must also seek more courtroom space.

We need more police officers. There is not enough jail space nor corrections personnel to handle prisoners.

Family court is also suffering as witnessed by the nearly 20,000 child abuse and neglect cases the system handled last year.

In my opinion, State and local law enforcement agencies should be commended, for we have indeed risen to the occasion. We are constantly finding new legal avenues and more efficient and innovative ways to combat the problem.

Because my office has citywide jurisdiction, we enjoy a close working relationship with Federal law enforcement agencies.

Precisely because I am well aware of their needs, I wholeheartedly approve of the additional funds that have been allocated to these agencies through the national drug strategy policy. However, I cannot in good conscience remain silent on the decision not to increase Federal funding for State and local law enforcement agencies.

Notwithstanding the fact that I appreciate the additional $5 million that is being allocated to us as a designated high-intensity drug trafficking area, it is clearly not enough.

This is especially true when you analyze the statistics I have cited and the pervasiveness of the crisis we are facing.

Moreover, when you consider that these funds are to be divided among the five counties of New York City, Suffolk, Nassau, and northern New Jersey, the inadequacy of the allocation is indisputable, particularly in light of the current fiscal woes facing the State and the city of New York.

As long-term solutions, I believe we are all in agreement that we must invest in education efforts now, even though we may not see the results of these efforts for a decade or two down the road.

With 500,000 addicts roaming the neighborhoods of New York and treatment slots available for a mere 37,000, only a fool would deny the need to allocate more funds to treatment.

It is imperative, however, that State and local law enforcement agencies be provided with the kind of fiscal support that will enable us to continue our efforts to stem drug trafficking in this city.

Granted, many see this as a short-term solution, but it is the only one that can guarantee that there will be a tomorrow to enjoy the fruits of education, prevention, and treatment efforts.

Thank you.

I would like to testify with respect to the good and bad. I would like to say that the cooperative atmosphere between the local law enforcement officials and the Federal law enforcement officials could not be better.

That was not always the case. I am talking about DEA, FBI, Customs, ATF, the U.S. attorney's office and many other agencies that I probably have forgotten to mention.

We do cooperate and are doing a much better and more efficient job. For that I am thankful, and I am certain that this cooperation will continue.

The bad thing about the appropriation that is going to be coming out with respect to the high-intensity drug area is, No. 1, it is not enough money. It can be and should be much more.

The second thing, I think, is that the moneys are going to my Federal colleagues and they should be getting much more money, but I also think that money should be coming to local law enforcement.

We do 90 percent of the work. We do it because we have to do it. I do think that resources should be coming directly to local law enforcement, to the police department, to the prosecutors, because they are going to be making these arrests, and without more funding, we will be hard pressed to prosecute and push these arrests through the courts.

I have spoken to Dr. Bennett about this. I have also talked to Stan Morris about this.

The way the plan is right now, the money is coming through the Federal authorities. I will accept that.

I think that more should be coming directly to local officials.

Thank you.

Senator DECONCINI. Thank you very much, Mr. Johnson.

STATEMENT OF TONY VOELKER, CHIEF, NEW YORK CITY POLICE DEPARTMENT, ORGANIZED CRIME CONTROL BUREAU

Senator DECONCINI. Chief Voelker, you have come with a tremendous reputation as the chief of the New York City Police Department Organized Crime Control Bureau.

Having spent yesterday with Federal law enforcement and local law enforcement, I would like to give my compliments to your effective leadership.

Chief VOELKER. Mr. Chairman, Senator D'Amato, other members of the subcommittee, thank you for affording me the opportunity to speak with you this morning. I am pleased to share with you my thoughts on New York City's efforts to address the No. 1 threat confronting our Nation, illegal drugs.

Mr. Chairman, I would like to commend you for your leadership in the Senate on drug enforcement issues. It is almost 2 years to the day that the Senate Committee on the Judiciary held extensive hearings on a "National Strategy to Control the Flow of Illegal Drugs." In no small way, those hearings paved the way for the Anti-Drug Abuse Act of 1988. Further the national drug control

strategy of 1989 provided needed coordination and a national plan to combat illegal drugs.

While much has been done, much more has to be accomplished before we turn the corner on this national scourge.

I'd like to try to illustrate the problems faced here in New York City and why our city is appropriate for high-intensity drug trafficking area initiatives.

During the past decade, particularly upon and beyond the emergence of the devastating drug, crack, countless analyses have been conducted, articles written and phrases coined, regarding the impact of narcotics abuse in life in urban neighborhoods.

Phrases and articles set aside, we are left with: An insatiable citizen appetite for mind altering substances, a willingness of some world nations to permit cultivation, processing, and exportation of illicit drugs and America's difficulty to defend borders. All in combination, have brought about an era in which traditional values are under siege, with many crumbling. Enormously profitable overseas and domestic industries have emerged to meet demand.

Respect for the rule of law, for family, for human dignity has eroded. We are witnessing a gross waste of human potential. Robbery, theft, and criminal violence are increasing dramatically. Life is being senselessly snuffed out as homicide rates throughout the Nation are driven up by narcotics violence with frightening increases recorded in many of our major cities.

The roots of what President George Bush refers to as the national scourge, are found in the criminal importation, distribution, and use of narcotics with the vast majority of those arrested for criminal acts, violent, or otherwise—drug users.

In short, drug trafficking, along with its sure companion, income-generating crime, often violently committed, are having a profound negative effect on the ability of police forces across the country, New York City's included, to maintain public peace and control crime. These realities have necessitated a massive investment of resources in criminal justice efforts to reduce drug supplies, drive dealers from the street where they would brazenly hawk their wares, and to dismantle trafficking networks at a time when revenues to pay for these undertakings would be better utilized elsewhere. Resources might well be more effective if concentrated on factors contributing to the abuse of drugs by New York citizens: Poverty, unemployment, and a high student dropout rate. Yet, law enforcement cannot flinch; maximum enforcement pressure must be sustained.

Those who contend that demand for illicit drugs, crime, and a decline in the quality of life in New York City, are only narrowly related or that drug trafficking and abuse are victimless offenses, need only examine recent data.

Of 1,907 homicides committed in New York City during 1989, almost 30 percent were classified as drug-related with many more likely resulting, in some measure, from drugs.

In July 1989, of all male arrestees processed at Manhattan Central Booking, 84 percent tested positive for the presence of one or more drugs.

With many women addicted to crack becoming involved in exchanging sex for drugs, crack now significantly contributes not

only to the transmission of HIV in heterosexuals, but to the recent increases in other sexually transmitted diseases.

Crack-abusing women gave birth to 3,000 infants last year in New York City.

There were 18,000 reports of child abuse and neglect in New York City in 1980; by 1988, the number had more than trebled to 55,000 cases, much of the increase attributable to drug abuse. In fiscal year 1986, 1,325 neglect cases involving infants in foster care were deemed drug related; by 1988, the number had grown to 4,263.

Between 1985 and 1987, New York City's infant mortality rate was more than 2½ times as great among births in which illicit drug use was a factor.

Of the over 10,000 drug-related admissions to New York City hospitals in 1988, cocaine, as the patient's primary drug, accounted for 39 percent.

Drug-related deaths rose 35 percent from 1987 to 1988.

Crack use among women living in New York City is on the rise, particularly alarming in that women are often the only parent in the growing number of single-parent households.

New York City's foster care caseload, which had dropped from about 20,000 in 1980 to 16,000 in 1984, has now climbed to almost 24,000, not including an additional 10,000 children being cared for by other family members. Much of the increase is traceable to drug abuse.

Between 1985 and 1988, a 42-percent increase in the number of violent incidents between family members was recorded by New York City family courts.

There is no community left untouched. These facts, as highlighted above, involve all New Yorkers and all Americans. It matters not, whether the impact of drug abuse and trafficking are measured in terms of human misery, increased criminality, injury or absence in the workplace, or a strained tax base: Those who live or work here, do business in or visit our city, are paying a price.

In response to dramatic increases in drug abuse and distribution, the police department undertook a major restructuring of the narcotics division, increasing investigative personnel significantly while implementing new approaches. Simultaneous with the reorganization, a vigorous assault on street-level drug trafficking was launched throughout the city, to meet growing community concern over bold, open buying and selling. By 1987, drug complaints had risen to 61,230 annually, an all-time high, and a 404-percent increase over a 10-year period.

The restructuring was completed as the 1980's ended. The decade closed out with a record 102,000 narcotics arrests made in the city in 1989, with over 50,000 being effected by the narcotics division.

Each of the six major narcotics borough commands presently consists of a narcotics district which includes a major case unit, a tactical narcotics team and a NITRO unit.

Narcotics districts are responsible for primary enforcement of drug-related laws in the borough. District personnel respond to all drug complaints and investigate both street and mid-level drug trafficking.

The major case unit, staffed by more seasoned investigators, conducts investigations of upper-echelon drug traffickers through the

cultivation of registered confidential informants, development of tactical intelligence, and utilization of learned investigative expertise.

It operates in Manhattan North, Manhattan South, Brooklyn North, Brooklyn South, Queens, and the Bronx, with a smaller commitment to Staten Island.

The NITRO—narcotics investigative tracking of recidivist offenders—unit coordinates, develops, maintains, and disseminates tactical narcotics intelligence both within the department and in an exchange with other law enforcement agencies. NITRO's strategic value is being realized in terms of the targeting capability it furnishes as well as the development of information sources.

The NITRO program is designed to focus the prioritized enforcement effort of participating criminal justice agencies on career felony drug offenders identified by the New York City Police Department's Narcotic Division. Agencies participating in the NITRO program include the Federal Bureau of Investigation; U.S. Customs Service; Drug Enforcement Administration; Immigration and Naturalization Service; Bureau of Alcohol, Tobacco and Firearms; Internal Revenue Service; and 12 other agencies of Federal, State, and local government.

The aim of NITRO is not an increase in the number of criminals being arrested, but rather to focus limited resources on persistent hardcore offenders and thereby bring drug enforcement pressure to bear upon organized drug distribution networks. The narcotics division's career felony drug offender unit coordinates the program utilizing an online computer system which has made possible the targeting of 44,000 recidivist drug violators.

Case enhancement personnel are assigned to each NITRO unit with responsibility for coordination of arrest records and transmittal of pertinent information to district attorneys and other criminal justice agencies. Members assigned to NITRO have been specifically trained in debriefing techniques to develop confidential informants. This expertise heightens intelligence gathering capabilities and the capacity to move up from street-level dealer to major distributor.

All arrests of career felony drug offenders are enhanced by members of the narcotics division to strengthen prosecution and better assure conviction.

TNT is a narcotic enforcement overlay designed to complement other strategies rather than replace them. TNT seeks an immediate impact on serious street narcotics conditions to provide respite to citizen and community. Its goal is achieved by committing narcotics investigators to aggressive buy and bust activities for a relatively short period of time—up to 90 days—within a target area carefully selected by uniformed and narcotics commanders.

Three aspects essential to TNT success are: Strong community support and involvement, closely integrated and coordinated efforts of 25 city agencies participating in the overall program—led by NYCPD—and a flexible, mobile, narcotics force.

Utilizing New York County as a study sample for final dispositions, it was shown that of a total of 4,352 felony arrests effected in Manhattan by TNT between November 15, 1988 and January 31,

1990, 1,293 have resulted in felony convictions. Sentences range from conditional discharge to 9 years to life.

The convictions were distributed as follows:

	Number	Percentage
State prison	548	42
City jail	388	30
Time served	10	1
Probation	342	26
Conditional discharge	5	1
Total	1,293	100

In recognition of New York City as a major port of entry for heroin and cocaine ultimately consumed in the northeastern United States and elsewhere, intense enforcement against middle- and top-echelon drug dealers such as the operations of the Medellin and Cali cartels is demanded.

Primary efforts in this regard are sustained by the drug enforcement task force [DETF] and the Organized Crime Investigations Division [OCID]. DETF is a tripartite team of personnel from the New York City Police Department, the Drug Enforcement Administration, and the New York State Police. Established in 1971, it has an enviable record and reputation: In the past 3 years over 25,000 pounds of cocaine and 415 pounds of heroin were seized as a result of task force investigations. Cash confiscations of over $25 million were made in 1989 alone. One single incident yielded $18.6 million, secreted in hidden compartments built into a cargo truck.

OCID is a full partner in the joint organized crime/narcotics task force [JOCNTF]. This task force effort, staffed by NYCPD detectives and agents of the Federal Bureau of Investigation, has had substantial success in heroin as well as organized crime investigations.

As mentioned earlier, major case units newly formed in the narcotics district commands are now contributing to investigative efforts at the mid and upper levels.

Present antidrug strategy evolved as a reflection of the various modes of importation at work in New York City with smuggling techniques limited only by the imagination of the smugglers. We have discovered body-carried cocaine hidden in girdles, money belts, shoes, and socks; body-cavity shipments of cocaine packaged in condoms, swallowed and carried in the "mule's" intestines to be later defecated; luggage shipments in false compartments; aircraft with false fuel tanks; tanker trucks with false "cells"; steel marine cargo containers with false ceilings or floors; concealed in furniture, in wheelbarrow tires, and within factory-sealed containers of toxic chemicals.

The NYCPD has recently entered into a cooperative enforcement effort with the U.S. Customs Service at Kennedy and LaGuardia Airports. A joint endeavor, code named Operation Southbound, has yielded $5 million in seized currency from outbound traffickers in just 4 months. The NYCPD and the drug enforcement task force work on an ongoing basis with the Port Authority, Amtrak, Penn Station, and Grand Central Police. During the last 6 months of

1989 the DETF, in 12 separate enforcement actions with Penn Station Police, effected 16 arrests and seized 35 pounds of cocaine from outbound couriers.

NYCPD has a close working relationship with the U.S. Customs Service, mostly through our NITRO program, in an effort to limit narcotics entering by way of New York City's marine and airports. This working arrangement occurs at a pivotal time, given the relatively recent dramatic changeover of the New York heroin supply from Southwest Asian to Southeast Asian sources. In a marked departure from 1985, for example, when Golden Triangle heroin accounted for as little as 3 percent of the incoming product, that region now supplies some 70 percent of the heroin reaching New York City streets, with average purity of over 40 percent. It is worth noting that during 1989, our JOCNTF seized over 800 pounds of Southeast Asian heroin in a single seizure, reported to be the largest heroin seizure in U.S. history, continuing evidence of heroin demand in the metropolitan area at a time when many believed use of this drug was on the wane. Another fact tending to contradict a decrease in heroin usage was that in 1989 heroin arrests effected by narcotics division personnel increased by 81 percent over the previous year from 4,255 to 7,690.

An examination of arrests by the narcotics division over a 4-year period strongly suggests crack as the clear drug of choice, with arrests for that substance on an almost straight-line increase from 1986 to 1988 inclusive, and a leveling off in 1989. Cocaine arrests have not increased substantially in spite of dramatic increases in personnel assigned to the narcotics division. Heroin arrests, by contrast—although fewer in number than either crack or cocaine have shown a consistent year-to-year increase. It should be noted that these arrest data are likely not an absolute reflection of comparative usage of the three drugs. It is probable that in the normal course of our enforcement efforts we observe, and arrest for, crack violations more frequently, with some cocaine use occurring offstreet, out of view and by those better able to insulate themselves against police enforcement.

The New York City Police Department's Narcotics Division continues to be deeply concerned with the involvement by youth in use and sale of illicit drugs. SPECDA employs a two-pronged approach to promote a drug-free lifestyle among the city's youth. The first is education; utilizing the team teaching concept, police officers and board of education drug counselors educate elementary school children to the dangers of drug use and abuse.

The second is the enforcement arm of SPECDA. Narcotics division personnel operate in close proximity to schools to provide a safe environment for children traveling to and from school.

In July 1986, the department began its customer car confiscation program, laying to rest the popular misconception that the demand for drugs is attributable solely to inner city drug addicts. The confiscation program is designed to deter suburbanites who regularly travel into the city to purchase drugs for both their personal use or resale in their home communities. It also discourages recreational users from driving to drug prone areas to purchase narcotics.

Of the 4,150 vehicles seized, 49 percent bear out-of-town registrations.

Those arrested for sale or possession of a controlled substance, regardless of amount, while they are vehicle occupants, risk forfeiture of the vehicle as well as incarceration.

This demand reduction through enforcement program targets both the buyer and seller in an attempt to discourage drug trafficking in our city's financial district, especially the Wall Street area. The program has demonstrated that demand for drugs obeys no economic boundaries, with arrestees coming from across the income strata.

An analysis of narcotics division enforcement reveals an estimated current deployment of much of the available resources to combat street-level drug dealing with its corrosive and disheartening impact on the quality of life in city neighborhoods; and, the remaining resources against middle- and upper-echelon drug traffickers. It should be noted, however, the growing analytical ability of NITRO in union with increased experience of operational personnel strongly suggests a natural progression to additional long-term investigations requiring the manning of electronic eavesdropping operations, surveillance and other evidence gathering activities. The result will likely be some decrease in overall arrest activity with an increase in the quality of enforcement as traffickers at the management and distributor levels are identified and targeted for investigation.

The review of crime statistics, drug seizures, health-related information, and sociological data, does not encourage optimism. Nonetheless, the situation is neither hopeless nor is the task impossible. Some slight encouragement may be found.

Results of the "15th Monitoring the Future Survey" conducted by the University of Michigan reveal: Current use of illicit drugs by high school seniors dropped from 21.3 percent in 1988 to 19.7 percent in 1989. The percentage of seniors who had used cocaine at least once in their life dropped from 12.1 percent to 10.3 percent.

The New York City Police Department is involved in narcotics enforcement at every level. This, coupled with excellent relationships maintained with the five county district attorneys, the U.S. attorneys for the southern and eastern districts, the New York City special narcotics prosecutor as well as other law enforcement agencies with which we work on a daily basis, has resulted in the building, over time, of a solid narcotics enforcement structure and strategy.

Now, early into a new decade, guided by the realities of fiscal restraint, is the time to analyze the developed model, modify where necessary, as a renewed effort is made to improve life in city neighborhoods, and promote a strong perception of police presence and police potency in the community.

The New York City Police Department's approach to narcotics enforcement has changed dramatically over the past several years. From the narcotics district as the lone enforcement command responsible for the seemingly impossible task of addressing all levels of trafficking in a given borough, we have evolved into a concept of narcotics boroughs capable of a tiered response with experienced investigators conducting major cases, a computerized intelligence system targeting career felons and a tactical narcotics team dismantling street networks while encouraging public confidence and

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a sense of security. We have decentralized and improved our ability to respond promptly to trafficking conditions unique to each borough. The cost of the narcotics division reorganization and expansion has been substantial but essential. The restructuring has permitted the building of a comprehensive antidrug strategy: Plainclothes enforcement at aii ievels of importation and sale, advanced training to develop investigative expertise while stressing personal safety, and enhanced police dialog in the community.

This provides opportunity for the New York City Police Department to establish, in public perception as well as in fact, that something can and is being done to ensure the right to a safe and peaceful existence without criminal or other unwanted intrusion, to fulfill Government's mandate to its citizens.

To fully achieve this objective, available personnel must be fully utilized in a fashion that recognizes our responsibility to act not only as guardians of society but also as catalysts for change.

Training must reflect a broad view with our officers the best prepared and our executive corps the most informed, so that we may mount a professional, progressive, and comprehensive narcotics enforcement strategy.

The importance of ongoing training of narcotics enforcement personnel in operational situations cannot be overemphasized. Safe practices must be automatic. Police departments must: Prepare an undercover officer for a buy that goes bad; train an investigator in what to do after a door has been taken down; instruct the supervisor in steps to be taken if an officer is shot. Contingencies that must be included in training are cop shot, cop kidnapped, ripoff, made undercover, forced ingestion, and radio failures.

Due to the almost limitless pool of resources drug traffickers are able to deploy sophisticated defense systems and weapons against law enforcement efforts. To safely and effectively meet this challenge, our investigators must be thoroughly trained.

To facilitate this comprehensive training, it is recommended strong consideration be given to drafting blueprints for, and ultimately constructing, a state-of-the-art regional training center for tactical instruction of narcotics enforcement personnel.

Such a facility should be available to all major law enforcement agencies that operate in the metropolitan area: The FBI, DEA, NYS Police, NYCPD, Nassau PD, Suffolk PD, and others. Such a regional training center could easily manifest the same multiagency cooperation so evident in current multiagency enforcement strategies and efforts.

Considerations should be given to:

Construction similar to a Hollywood set featuring stairwells, adjoining rooms, hallways, basements, rooftops, and permitting structural flexibility so the set can be changed to fit training needs.

Simulated street situations to include building exteriors, sidewalks, intersections.

Ability to simulate various lighting conditions.

Experienced—current or former—narcotics enforcement personnel participating in planning.

Investigative techniques—including hands-on training and simulations.

Instruction in the use and handling of electronic equipment necessary for the safe operation of our enforcement efforts.

Undercover training for all personnel, not only those likely to work undercover—primarily for the understanding and education of our officers in what it is like to perform undercover duties.

Simulations to address situations in which our officers have actually been involved in: Undercover forced ingestions, ripoffs, made undercovers.

The cost of such a training complex, although substantial, is a prudent investment from standpoints of effectiveness and safety. I believe a firm case can be made for the use of Federal forfeiture funds to fund this proposal.

Successful investigations, arrests, narcotics or currency seizures, while important are but benchmarks of activity. Of at least equal import is the potential to change public perception and opinion through utilization of the general high respect in which police in narcotics enforcement are held. A substantial credibility is attached to the police as the result of consistent, unwavering enforcement efforts. This credibility has the potential to galvanize the power of America: Religion, government, business as well as the communications and entertainment industries. The wherewithal to spark the energy that will fully inform and alert all of the Nation's citizens to the malady of narcotics and to the need for full citizen involvement, remains to be fully tapped.

Police, particularly those involved in narcotics enforcement, have a unique opportunity to mold public opinion and ignite public energy. We must see our role, in the battle against drugs, not only as enforcers of the law but as educators of the public.

Police commanders must be fully conversant with and prepared to discuss the dynamics of drug abuse and enforcement at every opportunity: Community meetings, during conferrals with representatives of other agencies, when instructing subordinates or simply when in conversation with neighborhood residents, businessmen or other citizens.

The police executive corps must be capable of speaking with one voice when discussing drug enforcement policy, its goals and how it is carried out. It is similarly important for the executive corps to be aware of where drugs come from, how they are processed, smuggled, and distributed; what's new in drug related legislation; what the department has done and hopes to achieve. They should be knowledgeable about the national drug control strategy, particularly programs for education, treatment, and rehabilitation.

Succinctly stated, there is no challenge facing law enforcement today more critical than that discussed here. The effectiveness with which we present our informed views to the largest audience is essential to the achievement of national goals.

The single most effective anticorruption strategy is the team concept, providing close supervision: In our case, one supervisor for each five investigators and two undercover officers.

No police official, however, could have envisioned the extent to which drug trafficking would grow and the staggering amounts of money the illegal industry would generate. It would have been incomprehensible, for example, to think of exposing investigators to $18.6 million in currency, in a single seizure, and yet, that is what

happened during an enforcement operation in New York City during 1989. Temptations confronting narcotics investigators on a daily basis are unprecedented. Every step must be taken to ensure officer integrity.

Under the 1984 Federal Comprehensive Crime Control Act, local law enforcement agencies are entitled to share in all assets seized during the course of investigations into drug trafficking conducted jointly with Federal agencies. The percentage share granted is generally based upon overall involvement in the investigation by the requesting agency.

Although there continues to be a considerable amount of time between submission of sharing requests and actual distribution of funds, conferrals with Federal authorities regarding the administrative process have resulted in some improvement in the turnaround time.

The law authorizing sharing of seized assets, requires that funds made available be utilized for law enforcement purposes above and beyond the established budget, excluding salaries and overtime.

In order to fully utilize this resource, long-term planning should be undertaken to identify priority items, areas, and programs for application of funds.

In sum, those items deemed worthy of consideration for high-intensity trafficking initiatives and Federal forfeiture funding are: Education and public awareness programs; training for narcotics enforcement personnel—regional training center; provisions for enhanced uniform coverage in high-narcotics trafficking areas; enhance Immigration and Naturalization Service efforts to stem the influx of drug dealing illegal aliens entering the United States; formation of a speakers unit comprised of police executive level personnel to energize corporate America in the battle against illicit drugs; enhancement of the larger criminal justice system: Judiciary, prosecution, and work camps; and computerization/training to provide enhanced narcotic enforcement support.

Effective narcotic enforcement impacts many other areas of police responsibility. Properly focused, carefully directed and tactically mobile narcotic enforcement units operating in recognition of citizen concern and functioning in tandem with community energy has the potential to do much else, displace and remove negative influences upon, as well as contribute toward, the stability of community life, display police effectiveness and potency, reduce crime, and foster a sense of community security and confidence.

Funding for a true drug war should be of the highest priority even in an era of serious fiscal restraint. An issue so vital should not find itself in competition for funds with all other police and Government needs. While those on the line in narcotics enforcement in this city appreciate the recognition that is the source of this supplementary funding, the amount is not great. Were the proposed $4 million to be furnished directly to the New York City Police Department, I can assure you that it would be effectively spent and would not be excessive.

It appears there are alternative methods of funding meriting further analysis and review. Some that come to mind are: Dedicated taxes, selling of narcotic war bonds, and a national lottery.

Dedicated funding would permit the mounting of a substantial criminal justice effort against narcotics trafficking in the face of fiscal crisis. Other components of a comprehensive antinarcotic strategy might be funded in a like manner: Education, public awareness, treatment, and rehabilitation.

A national referendum may ultimately be the appropriate course of action.

Continued study to identify and develop innovative police methods against narcotics is also essential and must continue. Maximum enforcement must be sustained while fully acknowledging that law enforcement, no matter how effective, will not change the narcotics trafficking and use landscape, beyond holding the line against further incursion into civilized life.

Interdiction, demand reduction through raised public awareness and education, treatment and rehabilitation must receive highest priority. Without full involvement at all government levels, treatment of users, education at the earliest possible age, engagement of the private sector in the creation of a drug-free workplace and in supporting and delivering the appropriate antidrug message to the public and an upgrading of the criminal justice system, we might well continue in the current holding pattern as we await the arrival of another drug that might impact in the nineties as crack did in the eighties.

Mr. Chairman, members of the subcommittee, thank you for your time.

I would suggest that in the last several years there has been total revision and a substantial enhancement of drug enforcement in New York City.

In 1985, at or about the time that crack exploded, we had some 600 officers dedicated to narcotic enforcement and now have close to 1,700. To paraphrase Sterling Johnson, not because we want to, but because we have to.

The number of narcotics arrests has continually increased. All of the police agencies in New York City last year made 102,000 narcotic arrests.

A tremendous amount of police energy and resources have gone to control narcotic trafficking and to try to give the population of the city a respite and to show a police presence and to discharge responsibility to the Government.

While we on the line, if you will, in narcotics enforcement are certainly pleased with the thinking that produces $4 million, which is not a great deal of money, but if the $4 million were provided directly to the New York City Police Department, we could use it adequately and use it well, and it will not have been excessive.

We surely do not suggest that because law enforcement in the United States, in my view an excellent job against narcotics, is just holding the line. The answers lie elsewhere.

They are education, treatment, and rehabilitation and, most of all, the answers rely on increased public awareness as to what narcotics are and what they do.

We certainly look forward to the funding, and I would be remiss if I did not pick up on Mr. Johnson's comments and say that the cooperation that exists routinely between local law enforcement, prosecutors, and the Federal agencies is outstanding.

We work very closely with the DEA, Customs, FBI, ATF, and INS.

Thank you.

Senator DECONCINI. Thank you for your testimony.

STATEMENT OF JAMES CATTERSON, SUFFOLK COUNTY DISTRICT ATTORNEY

Senator DECONCINI. Mr. Catterson, your reputation precedes you as a hard prosecutor in the drug enforcement area. We know that your county, Suffolk County, is inundated as is the rest of New York. We look forward to your testimony.

Mr. CATTERSON. In December 1989, Suffolk County Police, DEA agents, and district attorney detective investigators raided a Ronkonkoma, Long Island, warehouse and seized 700 kilos—1,777 pounds—of cocaine in what was described as the largest ever in Suffolk County and the third biggest ever on Long Island. Based on evidence developed in Suffolk County, an additional 269 kilos of cocaine as well as $1.4 million in cash were seized from storage warehouse units in Atlanta. originally developed by the Suffolk County District Attorney's Office, in cooperation with the Long Island Drug Enforcement Task Force, this 9-month investigation, which involved the use of electronic and personal surveillance, exposed a cocaine smuggling ring that stretched from Colombia's cocaine cartels through Guatemala, Mexico, Texas, Georgia, and finally to Long Island.

To date this Long Island case has resulted in the arrest of 16 United States citizens and Colombian nationals with more arrests to follow. The leader of this criminal enterprise, Richard S. Espinosa, has been described by DEA officials as a high level cocaine distributor with direct ties to Colombia and Guatemala.

But the real story of the *Espinosa* case, for purposes of our meeting today, really only begins with the arrests. Espinosa and his confederates were originally indicted by my office for criminal possession of controlled substances in the first degree. When the full international scope of this case became clear to us, we recognized that in order to comprehensively prosecute this case we would have to expand our prosecutorial jurisdiction. To do this I arranged, in cooperation with the United States of America for the EDNY, to have four Suffolk assistant district attorneys cross designated as special assistant U.S. attorneys to present this case as a continuing criminal enterprise to a Federal grand jury. I also assigned four squad investigators to work with DEA task force personnel to follow through with the investigation of this case.

As a result of this combined prosecutorial effort, Espinosa and his codefendants were subsequently indicted under Federal drug statutes and a significant money laundering investigation continues following leads that stretch from Long Island back to Central America. This unique combination of experienced Federal and State prosecutors has proven extremely effective in the *Espinosa* case and could well be the test bed and blueprint for reforging our prosecutorial tools for the drug wars of the 1990's.

Historically, law enforcement cooperation in the drug war has been confined to the interaction and coordination of various police and Federal investigative agencies. A noteworthy example is the

Long Island Drug Task Force which consists of Drug Enforcement Administration agents and representatives of the Suffolk and Nassau County Police Departments and district attorney's offices.

By their very nature, such task force groups tend to limit their investigations to assigned crimes since they lack the resources and in some cases the expertise to pursue leads into other areas of related criminal activity. For example, our experience in Suffolk County is that the Long Island Drug Task Force limits its investigations to drug crimes and tends to avoid the investigation of money laundering and currency violations, Customs offenses, takeover of legitimate businesses, et cetera. The ability and incentive to go beyond the initial drug bust has, heretofore, been severely limited by the prescribed missions, queries, and resources of the agencies involved. With Espinosa, a breakthrough in Federal and local prosecution cooperation was achieved.

By providing additional prosecutorial manpower, we were able to break through the usual pigeonholing which occurs, and expand our investigation to include money laundering and other drug-related crimes. Drawing on this experience, I propose that a joint Federal-county major narcotics prosecution group be formed and funded under your recent legislation for those areas designated as high-intensity drug traffic areas.

Working under the aegis and direction of the U.S. attorney for the Eastern District of New York, this group would bring together Federal and State prosecutors to track major narcotic cases wherever they lead and to prosecute whatever form of criminality these cases assume. Such cases could be prosecuted at either the State or Federal level depending on the best interests of the case. Offenses committed during the course of an illegal drug importation and distribution operation could be prosecuted as a continuing criminal enterprise, a racketeer influenced corrupt organization or the New York Organized Crime Control Act Criminal Enterprise theory. To this arsenal of statutes would be added the Federal money laundering, currency, Customs, extortion and mail fraud statutes as well as State larceny, narcotics and usury laws.

In the *Espinosa* case we know that at least four suspects each picked up between $900,000 and $1 million in cash over a 7-day period. We also know that this money was laundered and possibly sent out of the United States. We have learned that at least one trucking company was utilized by the Espinosa group for the sole purpose of moving drugs into and across the United States. None of these interrelated Federal and local crimes are adequately being addressed by the present investigative drug task forces. It is clear that a special prosecutors group could remedy this omission.

But the need for Federal funds is absolutely critical. Local governments are facing severe limitations on their ability to hire and fund services, including district attorneys and police. In Suffolk County, the county executive has attempted to freeze hiring in the prosecutor's office, citing severe budget constraints. A Federal-county prosecution group could provide the mechanism to fund joint operations such as Espinosa, efforts which, heretofore, have been borne solely by local district attorneys working under informal arrangements with sympathetic U.S. attorneys.

Our Federal and State criminal statutes present an inventory of legal weapons waiting to be used against international drug cartels which seek to set up high level distribution networks in the New York metropolitan area. In the cooperative hands of skilled, experienced Federal and State prosecutors, the choice of weaponry to employ in any given situation is unlimited and could close the enforcement loop begun with the establishment of the first investigative task forces.

If we are to succeed in striking at high level drug distribution networks on a regional basis, we must deploy the legal talent necessary to close and bolt the jailhouse door. In the final analysis this can only be accomplished by the ingenious and innovative use of prosecution tools in the hands of skilled investigative lawyers. The arrest of a drug kingpin is only the first step in the long trail to imprisonment and the forfeiture of assets. The Espinosa experience compels us to advance the horizons of prosecutorial cooperation to the end that continuing criminal drug enterprises are prosecuted for all of their illegal activities.

In referring to international terrorists, President Bush once warned, "You can run, but you can't hide." With the advent of joint Federal-county major narcotic prosecution groups, the President's words could provide a fitting benchmark for the drug wars of the 1990's.

I come here today to state that we have the resources and the experienced people, skilled State prosecutors, and Federal prosecutors, and working closely, we can track these cases, but we need the resources and we need the funding.

Senator DECONCINI. Thank you very much.

STATEMENT OF HARVEY MELNIKER, CHIEF, NARCOTICS UNIT, NASSAU COUNTY DISTRICT ATTORNEY'S OFFICE

Senator DECONCINI. Mr. Melniker, thank you for being here today. I know through the statistics I read about your county, Nassau County, that one of the biggest problems in the State of New York is in that county. We thank you for being here and sharing your testimony with us today.

Mr. MELNIKER. The juxtaposition of Nassau County and New York City has been a mixed blessing for our citizens. For in addition to enjoying the obvious benefits of being closely related to New York, our county has been adversely affected both directly and indirectly by big city problems, most notably the drug crisis. Although on a proportionally smaller scale, the explosion of narcotics abuse, with the attendant illegal sale and possession, has been evident in our county as well.

For many years, Nassau County, like most areas has had a drug problem. We formulated strategies which for the most part contained the situation. New laws were passed with increased penalties and we expanded our enforcement efforts. We added personnel and equipment. We expanded our judicial system and increased our prison capacity.

But the emergence of crack has placed an additional burden on the system. The magnitude of the drug problem can be seen in the rise in felony drug dispositions in our county court. In 1984, felony narcotics dispositions in county court numbered approximately 300,

representing only 12 percent of the cases disposed of. By 1989, this number had jumped to over 1,300, representing 40 percent of the total felony cases disposed of. Our traditional responses were inadequate once crack became so widespread. Because crack, a purified derivative of cocaine hydrochloride, produced such an intense reaction, it was sold in small quantities for $10 to $20. While initially inexpensive, its tragically addictive quality rapidly escalated its cost in dollars and in humanity.

Crack dealers took to the streets and openly sold the drug in many residential and commercial areas of Nassau County, disrupting the peace and safety of our residents. The use of sting operations came into being in response to pleas for help from the various communities. Undercover officers went into these areas, often being videotaped, and purchased crack from the street dealers. Unlike buy-and-bust operations, arrests were not initially made and the operation continued for several months. This enabled law enforcement to infiltrate into the widest possible spectrum of street dealers and resulted in large numbers of arrests when the raids were made. The results of these operations translated into an immediate temporary improvement in the quality of life in our communities and put these individuals on notice that Nassau County law enforcement would actively combat the crack menace at every level of its operation and distribution.

This was a new approach which an evolving situation required. Since 1986, our office, in conjunction with the Nassau County Police Narcotics Bureau and village departments, have conducted 20 such sting operations, resulting in the indictment of approximately 1,076 individuals. To date, we have obtained approximately 900 felony convictions. Over 95 percent of these defendants have been sentenced to jail time, with over 45 percent being sent to State prison for more than 1 year.

Notwithstanding the success of the sting operations and similar street observation sale arrests, it only reaches one level of the distribution process. Our office will continue to work with the State, county, and village police departments, the Drug Enforcement Administration and Customs in both prosecutions and traditional investigations of drug and related crimes. We will continue to participate in the Long Island Drug Enforcement Task Force and the newly formed Customs task force. We will continue to cultivate informant information and undertake the longer term undercover operations which utilize police personnel and require increasingly sophisticated electronic equipment.

The new age drug dealer is organized and high tech, armed with beepers, cellular phones, fax machines and weapons, all easily financed by the enormous profits the drug trade produces. Law enforcement in Nassau County has and will respond in kind. We understand the need to stay informed and employ all the available equipment and expertise. We already participate in joint investigations and prosecutions with the U.S. attorney's office. We expect to expand that relationship as the multijurisdictional nature of drug dealing is exposed through computer networking and intelligence sharing. The Nassau County District Attorney's Office will continue to implement innovative approaches to identify the drug profiteers and seize their assets. In addition to continuing our close rela-

tionship with the Nassau Police Narcotics Bureau, recently our office expanded its narcotics unit to include an investigative accountant, as well as adding Nassau County police detectives. Their primary role is to investigate from a tax and net worth analysis viewpoint the viability of prosecution and to increase our ability to target and develop cases on major drug operations. Expansion of this concept, supported by Federal money, is an area where we can use assistance.

In sum, we are committed to continuing the battle against drugs with every weapon in our arsenal. We will continue to vigorously prosecute the whole gamut of illegal drug enterprises with such diverse approaches as quality of life street operations, undercover operations, wiretaps, and eavesdropping, with the ultimate goal of impacting on the large-scale importation, wholesale storage, and underground money laundering operations that accompany the drug trade. We will remain vigilant to monitor changing patterns of usage and types of drugs, such as the renewed use of heroin or emerging trends such as camouflaging stash houses in affluent communities. To do these things, we will continue to need financial help to purchase and update equipment, add personnel, pay overtime, and underwrite investigations. We will seek the financial support of the Federal Government in these important enforcement activities. But we will do so with the full knowledge that enforcement alone can never provide the single answer to the drug problem. Without any diminution of our efforts to vigorously seek out and eradicate the supply of all illegal drugs to our citizens, we must recognize the need to act decisively to curb the demand for illegal drugs in whatever form. We must educate everyone, but especially our young people, that drug usage leads to a dead end. We must create an attitude in each of our citizens that drug use and drug trafficking will not be tolerated, not only because they are and will remain illegal, but because they are innately abhorrent and unacceptable in our society.

Finally, we must undertake these steps with the knowledge that it is neither humane nor cost effective to ignore these people who are already enslaved by drugs. We must provide meaningful treatment and alternatives to continuing drug abuse as well as incentives to never begin. But ultimately we must be prepared to foster the coordinated efforts of law enforcement on every governmental level to diligently locate, unswervingly prosecute, and unhesitatingly punish those who nonetheless choose drugs.

Senator DECONCINI. Thank you very much.

Let me get to one of the problems we face in the Congress, and that is funding.

I am not going to ask you how we should raise the money nor will I ask you how much we should give to local law enforcement. I am concerned about the strategy that Dr. Bennett and his office is putting forth.

We are very supportive of that particular effort. We want those strategies to be meaningful and applicable to local law enforcement as well as the Federal agencies.

I would like to have each of you respond to me. Did you have any input with the Federal strategy coming forward? Were you asked

by any of the Federal agencies as to what you thought the high priority needs were in your area?

Mr. Johnson, can you start? And if the answer is no or yes, give me a summary as to what your priority is, if you had any amount of Federal dollars available to supplement the local law enforcement efforts.

Mr. JOHNSON. I attended a meeting at the DEA and many people were there. I was asked for my input. I was informed that they were looking for a program or a project that would impact upon law enforcement regionally.

I submitted a proposal. That proposal was for a homicide narcotic investigating unit. It would have an impact.

Most of the time when we have a defendant who is going to cooperate and a narcotic officer asks him to cooperate, he is looking for narcotic information and the defendant will provide that narcotic information but nobody is asking about the homicide.

In some of the areas of the city, as Senator D'Amato said, 85 or 90 percent of the homicides are committed. I am referring to Washington Heights.

Senator DECONCINI. Do you have an estimated cost on that?

Mr. JOHNSON. Not a whole lot of money, $400,000 to $500,000.

That proposal is pending with the other proposal.

Senator DECONCINI. How about you, Chief Voelker?

Chief VOELKER. The answer is yes, I attended the same conference as Mr. Johnson did.

Given a number of facts, narcotic enforcement is becoming extremely violent. We had nine assassination attempts on our undercover officers last year who all survived, but there was a State narcotics task force officer who was not so fortunate.

The drug traffickers have access to unlimited technology and resources. We should think in terms of regional training and, second, a regional training center.

In so much as the cooperation has been improved between the local and Federal law enforcement over the years——

Senator DECONCINI. Do you have a price tag on that?

Chief VOELKER. No; I understand that the beginning of that will show in the current proposal.

Senator DECONCINI. Did you have any followup after that meeting and also you, Mr. Johnson, as to what the draft would include or what the final draft will include?

Did they talk to you after that meeting?

Mr. JOHNSON. There was one day last week I saw Stanley Morris at the White House who had just received a draft. He said he would get back to me.

Chief VOELKER. Very recently. The beginnings of the regional training were to be incorporated.

Senator DECONCINI. Did the Justice Department get ahold of you, Mr. Johnson?

Mr. JOHNSON. I spoke to a fellow named Jonathan Feld.

Senator DECONCINI. Regarding this strategy?

Mr. JOHNSON. From the Eastern District, Charlie Rose and Mr. Bennett's office, and after that I don't know.

Chief VOELKER. I have been speaking with Charlie Rose and more recently with Mr. Morris' office.

Senator DECONCINI. Mr. Catterson, were you at that March meeting also?

Mr. CATTERSON. Since we have just been included in the high crime area, we were not at the meeting.

Simultaneous with the announcement or our designation, I had a meeting with Charles Rose about 4 weeks ago. That's our first real contact.

Senator DECONCINI. Did you make any specific suggestions?

Mr. CATTERSON. I outlined to him what I talked about this morning, a prosecutor's task force, because I believe that is the next step in the escalation.

Senator DECONCINI. Mr. Melniker?

Mr. MELNIKER. No.

Senator DECONCINI. You were not included in anything nor have you been contacted?

Mr. MELNIKER. No.

Senator D'AMATO. In the interest of time, I will make an observation which is that we have to get together in coordinating the high-intensity drug trafficking programs because here we have but 3 months before the fiscal year is over.

I would hate to think that the $4 million is not going to be fully expended.

That would be, and I am going to raise that question to the panel when they come up, our fourth panel, Mr. Morris and Charlie Rose, to see to it that the funds are certainly obligated.

What a tragedy if we did not use the resources, as scarce as they are, and how desperately needed they are. Next year we will be talking about $8 to $10 million.

This Senator, notwithstanding the budget constraints, will do everything I can to get that dollar figure up from $50 million nationwide to a lot more.

I don't think that I will win it. I have not asked my colleague, but I don't know of any time that a matter of reallocating priorities has come to the Senate that Senator DeConcini has not been in backing up the allocation of funds on the war on drugs.

I am so concerned about this battle which we are losing. Sometimes it is good to come back home and you come to the projects and see what we saw yesterday, it is a tragedy, and you see the tenant association leaders who talk to you on the side and say, "We are fearful because I have children who live here. I don't want to go on the camera. I will be targeted."

I want to see to it that the $8 to $10 million gets used the right way. I hope if it takes this hearing to say, "Listen."

Whether it is the offices of Dr. Bennett in conjunction with the Justice Department, I have been through a series of hurdles that you have to jump over on the situation, and it certainly can be frustrating.

Chief, let me ask you a question: I would like to have you follow up on it if you don't have the numbers.

Of the 44 offenders targeted by the NITRO program, what are the sentences they received?

Chief VOELKER. I am sorry. I don't have the numbers.

The concept is to identify a universe of drug recividists and try to put pressure on those people in an effort to dismantle the networks. There are some 12 to 15——

Senator D'AMATO. That's a task force?

Chief VOELKER. No; it is an information sharing.

Senator D'AMATO. Do you know who is doing a terrible job? INS as it relates to the drug dealing criminals in this region traditionally has done a lousy job.

It is not because of the investigators or the agents. They have been told, "You leave the drug trafficking alone."

I mean, it is incredible, because we find so many of the traffickers are illegal aliens, and what has been your experience at INS?

Have they worked with you? Do you have a lot of cooperation with them as it relates to drug dealers?

Chief VOELKER. On our level, the cooperation has been excellent.

Senator D'AMATO. The agents are saying that they have not been utilized a lot in this manner. We have targeted them for an increase in doubling their funds from $50 to $100 million.

I don't want them to be bean counters, going out there raiding illegal dress shops, as important as that may be, to get the numbers up. In this battle on drugs, the illegal alien aspect is incredible.

Mr. JOHNSON. The last director was Charles Safir——

Senator D'AMATO. He was a disaster.

Mr. JOHNSON. Anyway, he asked me if I wanted agents assigned to my office. He is gone, and they have not replaced him.

Chief VOELKER. When we take a whole block that is riddled with drug selling locations, as we sometimes do on Broadway in the upper numbers, as likely as not we are accompanied by INS, who provide an enhancement to what we do.

Senator D'AMATO. I am glad to hear that.

I have received a lot of complaints from the agents who are afraid to step forward because all kinds of penalties befall them if they talk about their problems.

Chief, the city housing folks are on demand, you are on demand, and we all have scarce budgets. I am not assessing any blame to anybody. This is a fact of life and we have to do the best we can with it.

Do you think that we can come up with a program utilizing all of the resources, State, local, and Federal, in keeping the operations from returning back the next day and trying to turn the project around?

What the tenant leaders stated to Senator DeConcini and myself is that you arrest them today and they are back tomorrow, and people lose heart.

Chief VOELKER. Certainly we can do more of what we are doing and probably with better results.

We have a substantial cord coordinated with the housing police. Working with the U.S. attorney in the southern district, we seize apartments, and certainly if I were a tenant in a housing project, I would think that the efforts are not enough, but they are in place.

Surely we can look at how we might do more.

Senator D'AMATO. Did you ever think of just targeting one building or one project and say, "We are going to make that an abso-

lutely drug free area and"—I mean, that takes more than police work but community effort to really see that it is drug free.

Is that not a tremendous thing, and then apply it to another building and another one? Maybe that is kind of naive for me.

Chief VOELKER. I don't think that is naive. You have touched on a key component, which is community energy.

We do target whole housing projects, but for a brief time, a day or two.

You are saying something else. You are saying stay with the concerted target and see if you can——

Senator D'AMATO. Concerted target, concerted time.

Senator DeConcini has made it possible for us to get $3 million for the ATF forces coming into this year. I will ask our staff to meet with you and some of the others and see if you cannot coordinate.

I have had the Bronx Borough president after me for over 1 year to do something. That type of thing could be contagious. What a fantastic thing, they take back their community. They need us.

Chief VOELKER. I would look forward to such a meeting. I suggest that we go in there with the housing police and target a particular project.

Also, when we find a widespread drug selling network in a project, that we take as much time as it takes, 6 months or 1 year, and take down the entire network from top to bottom.

Mr. JOHNSON. We did exactly that in Queensborough and the Astoria Houses a couple of years ago, along with members of the New York City Police Department.

It might have taken us a couple of years, but we just neutralized several gangs and gave the projects back to the citizens.

It can be done and should be done. That's specifically what I requested funds for in my budget from the city. I don't think I will be getting that.

I was talking to Barbara Jones from Mr. Morgenthau's office. I would dedicate one person to this and following the cases as they come through the system to make sure that they don't fall through the cracks.

Senator D'AMATO. I thank you.

Senator DECONCINI. I am going to ask a quick question and go to the next panel.

The Senate has voted to pass on the major crime bill restrictions on semiautomatic weapons.

Do you have an opinion, No. 1, regarding banning semiautomatic assault weapons, and, No. 2, should we try some limitation on the citizens you defend and your own officers?

Mr. JOHNSON. Without a doubt, those weapons should be banned. They are killing weapons and not hunting weapons.

Chief VOELKER. It is a very dangerous business for the law enforcement office, and part of it comes out of the sophisticated weaponry available.

Mr. CATTERSON. Forty years ago we found out what an AK-47 was, and I still have not seen anyone shooting deer with an AK-47. I am for limiting the guns.

Mr. MELNIKER. I agree.

Senator DECONCINI. Thank you. I have looked at three of your statements and I will look at the fourth one today. I thank you for some of the detailed information and suggestions you have made.

We will now proceed with the second panel: Mr. William Doran, Robert Bryden, Charles Thomson, and David Ripa.

STATEMENT OF WILLIAM Y. DORAN, SPECIAL AGENT IN CHARGE, NEW YORK FIELD DIVISION, FEDERAL BUREAU OF INVESTIGATION, DEPARTMENT OF JUSTICE

Mr. DORAN. Mr. Chairman and other distinguished members of the committee, I appreciate the opportunity to appear before you today to provide testimony concerning the FBI's efforts in combating the drug problem in the New York metropolitan area. As the special agent in charge of the Criminal Division of the New York office, I am responsible for identifying and addressing this problem. I will begin by saying that as a result of the tremendous criminal impact the drug epidemic is having in this region, it is considered a priority investigative program.

As a matter of background, the New York office became the forerunner of the FBI's drug enforcement program in 1982 when we received concurrent jurisdiction over title 21 with the Drug Enforcement Administration. It is critical to note that the FBI's role in this regard was to enhance and supplement the effort of the DEA. More specifically, we attempted to bring to bear our investigative and technical expertise in major, long-term, organized criminal cases directed against major drug trafficking networks. As I sit before you today, I am proud to say that our agents undertook this additional responsibility with unparalleled enthusiasm, devotion, and a firm commitment to affect what is perhaps the most serious threat to our community at the present time. This was exemplified in the now historic *Pizza Connection* case when the FBI, as part of the organized crime drug enforcement task force, became a full partner with several other Federal, local, and international agencies to neutralize what was then defined as the most significant heroin trafficking organization. The key ingredient in this case was cooperation which has been built upon and is reflected today and the fact that we have two DEA groups and over 30 New York City police permanently assigned to our office. This, along with our excellent relationship with the other organized crime drug enforcement task force agencies, enhances the capabilities of the five squads of seasoned investigators that I have assigned to this most demanding and dangerous work.

As the country's largest and most diverse marketplace, it follows that New York is the country's largest and most diverse drug market, both in terms of supply and demand.

Pursuant to the mandate of the FBI's national drug strategy [NDS] a strategic plan has been developed, designed to impact upon those criminal enterprises engaged in the most prolific course of drug trafficking. Each squad is directly tasked with the responsibility of neutralizing those groups having a national focus that are currently operating within the New York metropolitan area. This strategy is designed to have a long-term effect by employing sophisticated investigative techniques in multistate enterprise cases.

The success enjoyed to date within the program has indeed been substantial. The so-called *Pizza Connection* case is illustrative of the type of investigative effort that can be employed given an adequate resource base. Our Operation Horse Collar is a long-term project aimed at dismantling major black heroin distribution networks. The success of this project included a major role in the solution of the murder of Police Officer Edward Byrne. Moreover, the type of impact that can be obtained through a concentrated, sustained approach against large-scale distribution networks is beginning to have a measurable effect in terms of a reduction in homicide rates, burglary statistics, and robberies in certain police precincts in which this approach has been taken. Although this strategy cannot be viewed as a total panacea, it is submitted that it is the most effective remedial action that can be undertaken in terms of a long-range response. This will, over time, produce results impacting upon the national drug problem.

Since receiving concurrent jurisdiction to investigate title 21 matters in January 1982, the New York office [NYO] drug program has grown from one squad consisting of 16 special agents [SAS] to the current five squads employing approximately 114 law enforcement personnel. The type of work has also evolved from traditional organized crime investigations to the transactional, surveillance intensive, dangerous, and volatile-type narcotics cases. The tactics employed involve the identification of the enterprise, the utilization of cooperating witness/undercover personnel augmented by physical and electronic surveillance, asset identification, and the pursuit of any money laundering aspects. This effort has proven to be tremendously resource intensive. Throughout the course of most of these investigations, all components of the drug program are utilized for electronic monitoring, transactional coverage, long-term surveillance, and asset seizure and forfeiture. In order to sustain this process the resources assigned to the drug program are constantly stretched above what normally can be expected.

The FBI has greatly increased its manpower commitment to the drug problem and has significantly heightened the sophistication of its investigations. These resource enhancements, for the most part obtained from reprogramming resources from other FBI investigative programs, have allowed the FBI to investigate many of the major drug trafficking organizations we have identified.

As you are aware, Mr. Chairman, the dynamics of drug trafficking require the refocusing of resources in order to address the current problem. The increased use of cocaine and the crack phenomenon have made cocaine the No. 1 drug problem, slightly overshadowing heroin use. Of particular note, is that intelligence information indicates that heroin use may be increasing among our youth in spite of the much publicized increase of the AIDS disease. As the drug problem changes, so do the organizations responsible for their importation and distribution. The investigative impact against the Sicilian Mafia's control over the heroin trade in 1988 left a void that was quickly filled, primarily by Asian traffickers. The escalation of cocaine gave rise to an influx of representatives of Colombian cartels who are well organized, disciplined and very adept at not only importing large amounts of cocaine, but laundering its proceeds back to Colombia. We have evidence of loads of cocaine in

excess of 500 kilograms now coming to New York from such transshipment points as California, Texas, and Mexico instead of south Florida.

In order to meet these new challenges each one of the previously mentioned five squads has a specific mission: Two are directed against Colombian cocaine cartels, one against Asian heroin, one against Italian/Sicilian distribution networks, and one against other major narcotics trafficking organizations. These squads are augmented by an aggressive asset seizure/forfeiture squad from the Criminal Division and several surveillance teams that are part of our special operations branch.

Augmentation of existing law enforcement resources, both personnel and equipment, has proven to be an effective means to increase the impact on the insidious problem drug traffickers pose to society. Fortunately, the NYO has been the beneficiary of several important initiatives. The New York demonstration project, which increased the salary of personnel assigned to our Division, has greatly improved the morale of an overworked and dedicated work force. It is my understanding that as a result of the pending Presidential budget for 1991 and an increase in funds available through the high-intensity drug trafficking funds program, the NYO would be the early recipient of additional agents to be devoted to drug investigations. These resources will be utilized to enhance our attack against identified enterprises engaged in drug distribution.

Notwithstanding the frustration inherent in this effort, I have found our law enforcement agencies and communities strongly committed. It is my goal to strengthen this bond as we face the many challenges ahead. The FBI has a unique and important role in this drug war. With the support of Congress, the administration, and the American public, we will continue this struggle with an incessant desire to succeed.

This concludes my statement. I would be happy to answer any questions you may have at this time.

STATEMENT OF ROBERT A. BRYDEN, SPECIAL AGENT IN CHARGE, NEW YORK FIELD DIVISION, DRUG ENFORCEMENT ADMINISTRATION, DEPARTMENT OF JUSTICE

Senator DECONCINI. Mr. Bryden.

Mr. BRYDEN. Chairman DeConcini and members of the Senate Subcommittee on Treasury, Postal Service, and General Government, I am pleased to appear before you today to discuss the Drug Enforcement Administration's [DEA] cooperative enforcement efforts to combat drug trafficking and abuse in New York City. I am the special agent in charge of DEA's New York field division, 1 of 19 such DEA divisions across the country. Our field division consists of offices in Albany, Buffalo, Rochester, and Long Island.

New York is one of the Nation's most complex enforcement environments. It is the second most populous State in the Nation, with the largest metropolitan area, including several major cities. Geographically, New York has a lengthy international border and a long Atlantic Ocean coastline, including Long Island. New York City's seaport, and domestic and international airports are among the larger and busier such facilities in the Nation. Population, geography, and transportation hub are the primary factors that have

caused a three-tiered drug problem to develop in New York State, in general, and especially New York City. These factors combined have made New York City one of the primary entry points for drug importation into the United States, and a primary center for drug distribution to the eastern and midwestern United States, as well as the largest drug consumption area in the country.

To have the appropriate supply reduction and deterrent effect, DEA's drug enforcement efforts in New York must be targeted against all three levels of the drug problem. The investigative focus of DEA's New York field division is to dismantle entire drug trafficking organizations through arrests, seizures, prosecutions, and asset removals. These organizations may be international in scope, or active in the eastern United States with New York as a hub, or localized in a certain area such as one or two boroughs of New York City. In all of these cases, we seek to immobilize the entire organization by indicting and arresting not just the leaders, but members throughout the entire organization as well. Throughout the course of these investigations, forfeitable assets are identified and seized.

The broad scope and large number of drug trafficking organizations active in New York at all levels makes it difficult, if not impossible, for a single law enforcement agency to have significant impact on drug trafficking activity. Recognizing this, the New York field division has sought and developed working relationships with almost every agency, Federal, State, and municipal, with investigative responsibility for drug trafficking or criminal activity associated with drug trafficking, such as weapons or immigration violations.

At the Federal level, we have established cooperative relationships which exist at both the management and investigative level, with the Federal Bureau of Investigation [FBI], the Immigration and Naturalization Service [INS], the U.S. Customs Service, the Internal Revenue Service [IRS], and the Bureau of Alcohol, Tobacco and Firearms [BATF], and U.S. Marshals Service. This allows us to draw upon the investigative expertise of these agencies and strengthen our investigations.

One of DEA's most important Federal cooperative efforts is our participation in the organized crime drug enforcement task force [OCDETF]. DEA enforcement groups assigned to OCDETF are physically housed with the other OCDETF agencies and work closely with them. OCDETF has had continued enforcement success against traditional and nontraditional organized crime groups.

Another essential cooperative program, which is unique to New York, is the DEA/U.S. Customs joint narcotics smuggling unit [JNSU] at John F. Kennedy International Airport. The DEA and U.S. Customs special agents assigned to the JNSU are mixed within enforcement groups and have both DEA and Customs supervisors. Most drug couriers apprehended at JFK Airport are part of an organized smuggling operation, not independent smugglers. Therefore, the JNSU seeks to develop investigations from the initial airport seizure to identify and immobilize the organization responsible for the smuggling operation.

In addition to the OCDETF and JNSU programs, we also have less formal working relationships with other Federal agencies. For

example, we have INS special agents assigned full time to our Asian heroin task force and the New York drug enforcement task force [NYDETF]. IRS special agents are assigned to our asset removal unit, and BATF special agents are assigned to the NYDETF. All of these agencies provide needed and valuable skills and experience to enhance our drug enforcement efforts in New York. We are also currently expanding our liaison relationship with the New York Army National Guard, which is providing excellent support for several DEA investigative programs.

The thrust to simultaneously attack trafficking at the national, State, and local levels would be futile without the active participation and experience of State and municipal law enforcement agencies. To this end, the New York field division has DEA's most extensive involvement in State and municipal task forces, including DEA's largest and oldest, the NYDETF.

The NYDETF consists of DEA special agents, New York State Police investigators, and New York City police detectives. Each enforcement group has members from all three agencies. This task force is unique among DEA task forces because its command structure is integrated among the three participating agencies. The two deputy chiefs, several of the mid-level managers, and most of the group supervisors are New York State Police or New York City police personnel. This provides them a greater degree of input into task force policy commensurate with their large manpower commitment.

The skills and expertise brought to the NYDETF by investigators of each of the participating agencies and the commitment to drug enforcement by the senior management of each agency has made the NYDETF a premier drug law enforcement entity. The task force conducts mid-level and interstate investigations, as well as major international conspiracy cases. It has demonstrated great skill in starting an investigation at mid-levels and working it up to wholesale/importation levels. The task force has also been responsible for several major enforcement successes, including the dismantling of New York's largest crack trafficking organization, which distributed 15,000 vials per day; continuing success against the Cali cocaine cartel including a noninterdiction 2,018 kilogram cocaine seizure, and a January 1989 seizure of $19 million in cash; and numerous major heroin investigations, one of which included $36 million in asset seizures.

DEA's cooperation with State and municipal agencies has been so productive that we are seeking to expand it. We just culminated a joint enforcement effort with the New York City housing police which targeted drug trafficking in New York City public housing.

Throughout the rest of New York State, DEA supports task forces in Long Island and Buffalo, and participates in provisional task forces in Albany, Syracuse, Westchester County, and Rockland/Orange Counties. These four provisional task forces are funded by New York State via a Bureau of Justice Assistance grant. They provide investigative resources in areas with rapidly expanding drug trafficking problems, including drug gangs organizing the previously unorganized drug markets. We also work with the New York State Police as part of the New York marijuana eradication program.

The New York field division's intelligence efforts also benefit greatly from multiagency cooperation. The unified intelligence division [UID] is housed at the New York field division and includes DEA special agents, and intelligence analysts, New York State Police investigators, New York City detectives, special agents from the FBI, INS, IRS, and U.S. Customs Service, as well as representatives from the Royal Canadian Mounted Police and United Kingdom Customs.

UID activity ranges from direct investigative support to strategic intelligence development. UID members have provided extensive support to investigations targeting the Colombian cocaine cartels, and developed a comprehensive strategic intelligence base on crack cocaine, along with many other accomplishments. The UID's effectiveness is directly related to the diversity of experience and expertise brought by its many member agencies.

This overview of our cooperative law enforcement programs, both formal and informal, is being presented to the committee because these programs are an effective way to combat drug trafficking at all levels. They provide for maximum utilization of resources with minimal duplication of effort, as well as the advantage of the expertise of each agency's personnel. We believe an effective means of implementing enforcement activities in New York under the high-intensity drug trafficking area designation is to augment the already existing cooperative drug law enforcement efforts in specific program areas.

These areas include, but are not limited to, manpower, training, and investigative support, with essential elements of investigative support including translators and technical equipment.

The New York City drug enforcement area can be broken down into New York as a major international importation area, one that causes all of us a great deal of concern, and the New York City area is a distribution point for drugs coming into the United States that are distributed to smaller cities throughout the States.

New York City has perhaps the largest drug-using community in the United States. These factors combine to make a difficult law enforcement environment.

New York City, as a high-intensity drug trafficking area, should be named as a high-intensity disaster area.

Mr. Chairman, this concludes my statement. I would be pleased to answer any questions the committee may have.

Senator DECONCINI. Thank you.

STATEMENT OF CHARLES R. THOMSON, SPECIAL AGENT IN CHARGE, NEW YORK DISTRICT, BUREAU OF ALCOHOL, TOBACCO AND FIREARMS, DEPARTMENT OF THE TREASURY

Mr. THOMSON. I appreciate the opportunity to talk to you today about the role of the Bureau of Alcohol, Tobacco and Firearms in our continuing battle against those who are recruiting our children into a lifetime of drug dependency and undermining the very fabric of our society. I don't need to tell you this is the most important war we have ever fought. We cannot afford to lose.

Our jurisdiction over the Federal firearms and explosives laws allows us to substantially impact on drug dealers. In 1989, ATF seized over 3,000 firearms in drug-related investigations. Well over

50 percent of our law enforcement work is drug related. Without firearms, the violent drug dealer cannot operate his deadly business.

If drugs are his trade, firearms are his trademark.

Every day, in the streets, in the crack houses, in the housing projects, and on the nightly news, we are bombarded with reports of criminals armed with high-powered weapons, willing and ready to shoot indiscriminately.

Today we see a similar surge in explosives use. In 1989, ATF investigated 81 drug-related bombings and attempted bombings. These incidents involved 13 deaths, 17 injuries, and over $700,000 in property damage, a 1,000-percent increase since 1987. Four of these cases occurred in New York. Another indication of the drug dealer's new tendency to use explosives is the 300-percent increase in pounds of explosives recovered from drug suspects. The sleazy dealer uses explosives just the way he uses firearms; to further his illegal business, to protect his turf, to move in on another turf and, always to intimidate.

Using our firearms and explosives authority, ATF has three major drug initiatives nationwide: Project Achilles and the Achilles task forces, the Jamaican task forces, and the Crips and Bloods.

The New York district is part of each of those national campaigns and I will discuss those a bit later.

Right now, I want to tell you about an ATF-initiated campaign, Operation Uptown, aimed at the drug dealers ruling some of the Harlem housing projects. On April 1 of this year, ATF, with the active assistance and support of the New York Housing Police, and the U.S. attorney's office of the southern district of New York, targeted 50 projects to eliminate the dealers, whether they are members of gangs or individuals, whether they are big-time dealers or minor ones, whether they run a crack house or operate from their home.

In the past 2 months we have served 12 search warrants, arrested 70 dealers, and seized a number of firearms and drugs, including crack and cocaine. The U.S. attorney has assigned two AUSA's to prosecute these cases.

We work closely with three managers of the projects, people whose goal is to clean up their drug infested buildings and who are cooperative and eager to assist us. The Neighborhood Block Organization surprised us one day with a quick visit to our office simply to thank us for the work we're doing in the projects. As Senators DeConcini and D'Amato saw on our raid yesterday, our agents and the housing police move repeatedly into the projects day after day, working undercover, serving search warrants, and making arrests. In many of the projects, residents were afraid to leave their homes at night and even moved cautiously about during the day. For these citizens life is a nightmare. Often those who feel under attack are the most vulnerable among us, the poor, who are trying to raise their kids to be decent, productive human beings, the elderly and the children who are the dealers' real targets.

Most of the agents and police discovered early on that some of the drug dealers were regarded as role models by many of the neighborhood youngsters, kids easily influenced by the dealer's display of power and money. As agents and police arrest these so-

called role models and haul them off to jail, many of the kids are getting their first realistic look at what happens to these criminals. Depending on the circumstances, a firearms violation can put them away for 5 to 30 years. Being carted off to serve long-term prison sentences makes the dealing of the drugs a very expensive proposition.

Three of the Nation's most vicious, most violent gangs, the Jamaican Posses, and the Crips and the Bloods are other ATF targets. Last week in a massive raid covering 10 States, ATF and local police arrested over 200 members of the Crips and Bloods, notorious gangs known for their drug dealing and drive-by shootings. This raid is only the beginning We will keep targeting them again and again until we have taken back control of the streets.

The Jamaican Posses are growing rapidly and staking out large chunks of the Nation's drug turf. Nationwide the posses are responsible for at least 2,908 murders since 1987, 716 in New York alone. Nationwide, we have over 978 posse defendants. In New York, our posse arrests total over 200 in the past 2 years.

We know that in addition to the murders, the posses are into heavy narcotics trafficking, and domestic and international firearms smuggling. The posses have been involved in kidnapping, robberies, assaults, money laundering, and fraud.

Through pilot projects like the ACES task force in Washington last summer, ATF has found that the task force concept is the most effective method for ridding a neighborhood or community of drug dealers.

To stem the rising tide of violence in our streets, Project Achilles and the Achilles task forces zero in on the three-time convicted felon, the armed drug trafficker, and the sources of illegal guns. In the spring of this year, Achilles task forces became operational in eight major cities, most which parallel the high-intensity drug trafficking areas pinpointed by the Office of National Drug Control Policy. Thanks to Senators DeConcini, D'Amato, and Domenici, we have tough new laws.

Three sections of the law: Title 18 U.S.C. sections 929 and 924 (c) and (e) subject firearms violators with a partiality for violent crime to mandatory sentencing.

The arrest, conviction, and mandatory sentencing can put these criminals away for 5 to 30 years at the height of their criminal career. Our latest statistics show that in the past 4 years under Project Achilles 1,241 criminals have been put away for 11,696 years plus seven life sentences.

That is a solid step toward making our communities safer places to live and work.

I hope I have shown you this morning through our law enforcement operations our strong support of the Office of National Drug Control Policy recommendations and our substantial impact on the drug problem through our firearms and explosives jurisdiction.

No one is more outraged at the invasion of our communities and the subverting of our children by the greedy drug dealers than the law enforcement community. No one has been more supportive of the job law enforcement is trying to do than the two Senators sitting before me. We appreciate it. We need it. And with your contin-

ued support in the future, we intend to end the reign of the drug dealer in this country.

I'll be happy to answer any questions.

Senator DECONCINI. Thank you.

STATEMENT OF DAVID J. RIPA, ASSISTANT REGIONAL COMMISSIONER FOR ENFORCEMENT, CUSTOMS SERVICE, DEPARTMENT OF THE TREASURY

Mr. RIPA. Good morning. My name is David J. Ripa and I am the Assistant Regional Commissioner for the U.S. Customs Service's Office of Enforcement in New York. Let me begin by first thanking the chairman, Senator DeConcini, New York Senator D'Amato, and members of this important committee for inviting me to testify on matters of great importance to both the Customs Service and the American people.

As you are aware, issues such as money laundering, narcotics investigations, and interdiction are extremely important priorities of the Customs Service and Department of the Treasury. The Customs Service, along with the Internal Revenue Service and Department of Treasury, have initiated a coordinated commitment to combat national and international money laundering, through the establishment of the financial crimes enforcement network [FinCen]. The objective and design of FinCen has been to serve as an all source, all crimes, financial intelligence network developed to support Federal, State, local, and foreign law enforcement agencies.

Two program areas where U.S. Customs has had significant impact are narcotics interdiction and antimoney laundering enforcement. My testimony will focus on the Customs Service's antimoney laundering initiatives as well as a general assessment of our heroin and cocaine interdiction activities within the New York region.

As you are aware, the Office of National Drug Control Policy [ONDCP] has designated the New York metropolitan area as a high-intensity drug trafficking area. Over the past 5 years, the Customs Service in New York has witnessed unprecedented cooperation, communication, and coordination among Federal, State, and local law enforcement agencies relative to narcotics investigations. Our asset sharing program is an excellent example of cooperation with State and local agencies. Since the beginning of fiscal year 1988, we have seized approximately $30 million from our outbound currency and investigative programs. Our aggressive asset sharing program has allowed us to recommend the sharing of 80 percent of all seized assets, that is, vehicles, currency, and property.

Another example of our ongoing interagency cooperation and coordination is the joint narcotics smuggling unit at John F. Kennedy Airport. This joint, colocated U.S. Customs and Drug Enforcement Agency unit was established in 1986 and has been operating successfully for the past 4 years. The JNSU unit in New York was used as the national model for cross-designation strategy in which 1,000 Customs agents received title 21 authority to investigate narcotics smuggling. In addition to JNSU, the U.S. Customs Service in New York has both initiated and joined in numerous collaborative antimoney laundering projects and investigations with Federal, State, and local law enforcement and regulatory agencies.

Today, I would like to specifically present what U.S. Customs in New York is doing in the area of money laundering and narcotics interdiction.

New York is the financial capital of the world. Industry estimates indicate that between $700 billion and $1 trillion is moved daily through New York's clearinghouse financial institutions. Every major foreign or domestic financial institution is either headquartered in New York or has large branch offices in the area. Lower Manhattan contains the World Financial Center plus the headquarters for many of the world's largest financial institutions. In addition, the New York Federal Reserve and the 11 clearinghouse banks are headquartered in New York. New York is also home to the three most powerful and influential securities markets in the world, as well as the five largest and most important commodities and futures exchanges worldwide.

The national drug strategy acknowledges that the continued success of antimoney laundering investigations is dependent on the ability of Customs and other Federal agencies to develop a group of highly trained financial specialists who are familiar with the intricacies of today's financial systems. The national drug strategy focuses on attacking the various stages of money laundering: Placement, layering and integration, within the framework of a cooperative and coordinated Federal, State, and local law enforcement effort. Simply defined, placement is the physical disposal of bulk cash, layering is the creation of complex layers of transactions designed to disguise the trail of illicit proceeds, and integration is the assignment of legitimacy to criminally derived wealth.

In direct response to the national drug strategy, and as a recognized leader in financial/money laundering investigations, U.S. Customs in both New York and headquarters have been in the process of developing a seasoned core of professional financial crimes investigators who will form a critical component in our future plans for escalating the war on money laundering.

As part of our overall antimoney laundering strategy, U.S. Customs has recognized that in order to achieve the desired level of training, Customs must draw upon the expertise of the larger financial community and regulatory agencies by establishing permanent liaisons, extensive reciprocal training programs, and the continued deployment of investigative resources. In furtherance of establishing interactive liaisons, U.S. Customs in New York has initiated and activated working relationships with the Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, Federal Reserve, Office of Thrift Supervision, and the New York clearinghouse. A primary example is an ongoing local relationship with the New York State Banking Department whereby investigators routinely exchange critical financial information in support of the department's investigations of unlicensed money remitters in the New York area. This exchange produces a consolidated rather than fragmented approach.

On the national level, we have witnessed the success of Operation Polar Cap which involved a coordinated national and international effort by DEA, FBI, U.S. Customs, and the U.S. attorney's office. Operation Polar Cap illustrates the sophistication and magnitude of an international money laundering organization.

The methodology or technique employed by Colombian violators in operation Polar Cap was to have street couriers collect the cash and deliver it to bogus jewelry fronts located in Manhattan's diamond district where it would be packaged and labeled as jewelry. Legitimate armored car couriers were then contracted to pick up and transfer the alleged jewelry to a plane for overnight delivery to Los Angeles. Once in Los Angeles, it was delivered to a secluded room in their diamond district where cash was sorted and counted on high speed money counting machines. After the count, the money was repackaged for delivery to several area banks thus attempting to legitimize the placement of the cash. In this operation, the money launderers attempted to disguise themselves as jewelers and believed that the financial paper trail they created would be concealed by trading gold with each other. After depositing the gold, the launderers ordered the banks to wire transfer hundreds of thousands of dollars by computer to gold brokerages and to banks in New York. This process laundered the money again because it changed banks and accounts. Some of the money was also transferred to a London commodities broker for gold purchases, another wash cycle. The final destination was the transfer of narcotics proceeds to cartel bank accounts in Panama and Uruguay which were controlled by representatives of the Colombian drug cartels. It is estimated that 1 billion in dirty U.S. dollars was laundered over a 3-year period through foreign banks, jewelry fronts, gold brokerages, and international wire transfers.

In addition to successfully uncovering and dismantling the Polar Cap international conspiracy, Federal prosecutors in the southern district of New York filed a civil suit in which they charged that the financial institutions who serviced Polar Cap related accounts should be held accountable for all illegal funds—$433 million—which passed through their respective financial institutions, as announced by the Attorney General and Secretary of Treasury. The Polar Cap investigation only netted $5 million in actual cash seized, due to the fact that the violators had successfully created a money laundering infrastructure whereby the narcotics proceeds went from the street to their wash accounts in just 72 hours.

U.S. Customs has been at the forefront of developing major money laundering investigations such as Operation C-Chase, a Tampa based operation that exemplified how New York banks are frequently used to facilitate money laundering. This long-term covert operation, unlike operation Polar Cap, involved the high level infiltration of an ongoing money laundering operation by a U.S. Customs undercover agent for a period of 3 years. The success of this operation was based upon the undercover operative's identification of executive banking officials who were knowingly facilitating Colombian money laundering.

The C-Chase investigation demonstrates the need for reciprocal liaison and exchanges at the highest level of the financial community to develop or cultivate sources who have close contact with major account holders.

Our export interdiction effort, Buckstop/Southbound which is located at John F. Kennedy Airport, has resulted in U.S. currency seizures of approximately $18 million for fiscal year 1989 and fiscal year 1990 to date—21 months. In addition, our Buckstop/South-

bound operation includes the assignment of several State and local law enforcement officers as well as National Guardsmen who assist Customs in our export searches and participate in our asset sharing program. These outbound currency and monetary instrument seizures represent those actually intercepted and destined for South America.

Last, as part of the New York region's antimoney laundering investigations and intelligence strategy, we have instituted and implemented a regional financial analysis strategic targeting [FAST] team in coordination with the mission and objectives of FinCen. This team reviews operational case reports, seizures, and evidence and utilizes a vast quantity of sources to develop major targets for investigation and/or interdictory pursuits. The FAST team, which is comprised of Customs analysts, agents and inspectors complemented by investigative resources from IRS, HHS, DEA, Brooklyn District attorney's office, New York State Police, and the Manhattan District attorney's office, provides a mechanism for target identification, preliminary evaluation, intelligence collection, and dissemination to a variety of U.S. Customs operational investigative groups and multiagency task forces—that is, southern district task force, Long Island task force, and Customs/New York State Police task force.

Along with the DEA, U.S. Customs believes heroin is likely to pose major problems for law enforcement in the 1990's. Prevalent supplies, massive profits, new trafficking organizations, and increased consumer use guarantee that heroin trafficking will continue to plague both the United States and Europe while posing what some officials believe may be the next drug crisis.

Using a limited sample of 1988 international and national heroin seizures where a final destination point could be identified, approximately 80 percent of those seizures were found to be consigned to New York.

The New York region increased the quantity of heroin it seized in fiscal year 1989 by over 20 percent. Furthermore, as a percentage of the total amount of heroin seized nationwide, the New York region's share climbed to 58 percent, up from 38 percent in fiscal year 1988. Likewise, over 66 percent of DEA's total U.S. heroin seizures occurred in New York. Current fiscal year 1990 statistics show that the amount of heroin being seized in New York is 77 percent higher than compared to the same time last year.

Significant developments in 1989 and early 1990 including numerous national and international heroin seizures; drastically increased Southeast Asian opium production; the emergence of West African organized crime; significant arrests; and the indictment of opium warlord Khun Sa by a New York Grand Jury, clearly demonstrated that the heroin threat is very real indeed.

Ongoing criminal investigations, intelligence, and other information clearly suggests that heroin distribution and trafficking will present fierce challenges to U.S. law enforcement in the coming year.

The New York metropolitan area has been clearly identified as a primary cocaine distribution center and narcotics proceeds collection point. The evidence to support these unfortunate facts is overwhelming and can be easily measured by the volume of currency

and narcotics seized in New York. U.S. Customs is continually monitoring, evaluating, and improving our techniques to target and examine both sea and air cargo at the ports of entry as well as the searching of arriving international passengers. The majority of the cocaine which is seized by U.S. Customs in New York has been discovered concealed inside containerized cargo.

In an effort to conduct more physical examinations of cargo by U.S. Customs in the New York region, National Guardsmen have been intermittently assigned to work under the supervision of our inspectional supervisors. Commercial cargo shipments offer the smugglers excellent concealment opportunities for either secreting the contraband inside a commodity or within the container itself. In fiscal year 1988, U.S. Customs in New York seized 8,683 pounds of cocaine. In fiscal year 1989, we seized 4,227 pounds of cocaine. Although the quantity seized in New York significantly decreased—approximately 48 percent—in fiscal year 1989, we simultaneously observed a noticeable increase in cocaine seizures in commercial cargo at nearby ports of entry such as Baltimore, Philadelphia, and Boston. In response to this increase, U.S. Customs developed and implemented Operation C-TAG—container targeting analysis group—which involves extensive inter-port coordination to target suspect containers which could be landed through various eastern seaboard ports.

The common denominator for all these large cocaine seizures made at the nearby ports was that the ultimate cosignee was located in New York. We believe that this was an attempt to port shop by the smugglers in an effort to circumvent U.S. Customs enforcement operations. In fiscal year 1990 to date, U.S. Customs in New York has seized 12,061 pounds of cocaine, however, 10,600 pounds were smuggled into the United States through the Port of Philadelphia and trucked into the New York area thus supporting our above hypothesis.

This cocaine seizure of 10,600 pounds of cocaine which was discovered secreted inside of 20-gallon drums of caustic chemicals—sodium hydroxide—was the largest ever in New York and one of the largest in U.S. history.

What is of significant importance relative to this seizure was the method in which U.S. Customs captured the up front intelligence which subsequently led to the seizure. U.S. Customs in New York has recently instituted a program identified as the border enforcement response team, whereby a group of special agents and field analysts have been tasked to establish a permanent mechanism for domestic (that is, New York City Police Department, New York State Police)—as well as foreign interagency liaison (that is, State Department, DEA) for the purpose of collecting intelligence and/or seizure information which may impact upon the border or ports of entry. This cocaine seizure reinforced the concept of the border enforcement response team program by the successful application of domestic intelligence within the border context.

In addition, our border enforcement response team program's intelligence collection has facilitated our targeting and inspectional processes. In the area of cargo selectivity and targeting, the U.S. Customs Service relies on our automated commercial system [ACS]. The intelligence information collected by the border enforcement

response team has been responsible for the identification of approximately 8,300 ACS selectivity entries which have resulted in 765 targets. The principal contributing agencies have been the Drug Enforcement Administration, Federal Bureau of Investigations, New York City Police Department, and New Jersey State Police.

As you are aware, the U.S. Customs and Drug Enforcement Administration have entered into an historic cooperative agreement whereby 1,000 U.S. Customs agents have been cross-designated with title 21—narcotics investigative—authority so that Customs agents can more vigorously investigate narcotics smuggling at our borders. The New York region has applied for and received approximately 120 cross-designations to assist us in performing our border investigations within what we in Customs commonly refer to as the transportation mode. We believe that this new authority will provide us with the necessary ammunition to make an even greater contribution in the war on drugs.

The New York customs region hopes that our comments have given the committee members a clearer understanding of efforts we currently have underway to combat the triple threats of illegal money laundering, heroin, and cocaine smuggling. Our initiatives fit well within the Customs/Treasury national policies and the national drug control strategy. Our efforts also complement those of our sister enforcement agencies appearing before you today. We will continue to place special emphasis on extending our impact beyond the placement stage to the more complex layering and integration stages of money laundering.

There are three particular areas of interest to us here in New York.

We believe, first of all, as Mr. Bryden said, this is a highly complex problem. We need to focus on specific issues that will make the greatest impact in these areas.

Clearly the No. 1 area in my mind is the money laundering here in the New York area.

We are a major entry point for cocaine and heroin. Last February the Secretary of the Treasury established an organization known as financial crimes enforcement network in Washington. I was a part of the organizing task force.

Since that time we have tried to take this strategy and enlarge it as much as we can in the New York area. That is largely attacking what we call the layering stage and integration stage of money laundering.

There is placement which is taking the profits from the illicit cash from money laundering for crimes. Those are mostly narcotics crimes. Layering is moving it from one bank account to another to disguise it and integrate it to where the money can no longer be identifiable.

What we are attempting to do, particularly with the law enforcement agencies at this table, but also with the FDIC, Controller of the Currency, and the New York State Banking Commission, and particularly with the New York clearinghouse, which is keyed to moving U.S. dollars worldwide, is to attack the layering stage rather than the integration stage.

We have asked the banks to come to us when money is presented to them. You can no longer walk into a New York bank and nothing happens. Now people will call us.

We have the people who need to be trained in how money laundering is done. The best example is the Polar Cap case where several million dollars was washed by the Calais cartel.

Many money laundering cases in the world come from a New York institution.

What this requires in the thrust of our effort is to train our agents and work with the regulators in a way that they come to us to tell us where they see layering.

That executive who sees millions of dollars move on a daily basis can tell us if it is in their interest to tell us.

That's basically the thrust of our argument. We have worked very successfully with the banking clearinghouse. I am open for questions.

Senator DECONCINI. I have a question for each of you.

I would like to have you tell me what you estimate the cost of one agent, one additional agent is for your agency here in New York in your jurisdiction, and second, how many would you need in your judgment to do the job that you have been directed to do?

I am not here to get you in trouble with the home office or headquarters or anything like that. I just want to know what the needs are. I would like to hear the numbers.

Mr. Ripa, since you are smiling, I will ask you first.

Mr. RIPA. Costwise, we use the figure of about $30,000 per agent, somewhere in that neighborhood.

Senator DECONCINI. How many do you need for the drug area?

Mr. RIPA. For the drug money laundering area, and I have plans of moving——

Senator DECONCINI. Not just money laundering, but for inspection and the area of drug enforcement, and the many other areas agents cover as well.

Mr. RIPA. It is hard for me to address the inspection area. The current wisdom is that we believe that we have enough inspectors at the area ports.

Senator DECONCINI. How come when I go through inspection areas they tell me that they don't have enough inspectors, and at Kennedy they say they need 40 to 50 more people?

Mr. RIPA. The act of searching and looking in every container has proven to be fruitless in terms of productivity.

Productivity is somebody who has to look at 300 million people a year to cross the border. It is pointless for us. We need intelligence.

Senator DECONCINI. How many do you need, 10? If you could write the check out yourself, what would it be?

Mr. RIPA. I really couldn't tell you.

Senator DECONCINI. Mr. Thomson?

Mr. THOMSON. I don't know about the cost per agent. I could certainly utilize an additional 125 to 200 agents.

Senator D'AMATO. Seventy-five more.

Senator DECONCINI. Mr. Bryden, how many agents do you have in the New York area?

Mr. BRYDEN. About 321.

Senator DECONCINI. How many more could you utilize effectively?

Mr. BRYDEN. You cannot ask a law enforcement officer can he use additional resources without getting the universal answer, but the actual number, you have to——

Senator DECONCINI. How many could you use in the next fiscal year?

Mr. BRYDEN. The numbers that I have seen in the high-intensity drug——

Senator DECONCINI. How many is that?

Mr. BRYDEN. Eighty-six total positions, which is 57 special agents.

Senator DECONCINI. That's due for fiscal year 1991 under that strategy?

Mr. BRYDEN. Yes.

Senator DECONCINI. If you had that——

Mr. BRYDEN. I would quit writing internal memos for at least a year.

Mr. DORAN. If you are talking about transfer, I would say $40,000 per man, and in salaries you are talking better than $150,000 per man.

If I were to have my way, I would increase the squads that I have presently up to the full strength and add a squad up in the Westchester County area and out on Long Island; we are talking about 50 agents.

I have 73 on board at the present time.

Senator DECONCINI. I am trying to get a feeling of the strategy and where we are going to get you the money and how you will put it to use.

Senator D'AMATO. In the interest of time, Mr. Chairman, I am simply going to ask what do you think is the greatest, most pressing problem facing us in the law enforcement area as it relates to drugs?

Mr. BRYDEN. I will start with that, Senator. I think you touched on it this morning with your comment about law enforcement going in to take over a housing area that is completely inundated with drug usage and drug sales.

I think that we are beginning to see signs around the country that this may have some effect, but not on the inner cities. That's the critical area that we need to focus on.

Senator D'AMATO. As it relates to that, are we not really saying that educational programs as they relate to middle class communities seems to be with young people having some impact, and in the inner cities there is very little difference?

Mr. BRYDEN. That's one characterization.

Those kids who stay in school to graduation appear to be using drugs less and less than in the years past. What do we do with the kids that drop out of school at an early age and don't avail themselves of an education and have little marketable skills and get caught up in the drug cycle? When we just take over the building and take out the drug users and sellers, we have to get them job training or they will simply move from one building to another and we will have a continual cycle.

This is a very complex problem. I think that's the right way to target the New York City area, because the housing projects are

where all of the law enforcement agencies have their biggest problems.

Mr. DORAN. I would say that the pervasiveness of the problem is so great that law enforcement in general does not have the wherewithal to go into these areas.

We had an operation called Horse Collar where we used the sustained, concentrated approach, and there was an outpouring of support; they went out on a limb to support us and felt that we would be there for the duration. They gave their entire cooperation to us.

Mr. THOMSON. Since we have limited jurisdiction in drug crimes, the firearms laws give us our entry to the war on drugs and the organizations of violent drug dealers——

Senator D'AMATO. I think that the pervasiveness of firearms where you see a 7-year-old girl shot down last night, notwithstanding the NRA and others, I don't see how they can make comments that these weapons should not be banned.

Mr. RIPA. The Customs and Treasury Department contributes the most, and I think that the law enforcement in New York are doing a pretty good job.

Senator D'AMATO. Thank you.

Senator DECONCINI. I want to say that I have been kicking around with law enforcement for some time, and in the Senate I have been critical of the DEA, FBI, every agency for lack of cooperation over a number of years.

I was here 3 years ago and I listened to testimony 7 years ago, and 3 years ago the cooperation was much better as proven in some of the drug cases that were made.

I compliment you for it, and it comes from your leadership here. I would not be saying it if I had heard otherwise.

We all have certain friends who are in law enforcement and prosecutors who call us up and tell us the problems they encounter with other agencies, but I am impressed, and I want the record to show that the Federal and local law enforcement people are working together.

I thank Mr. Thomson for his and ATF's cooperation in enabling us to see an operation yesterday. We will do all we can with the limited resources we can. We have not forgotten about it.

I want to welcome Mayor David Dinkins, who has a very busy schedule.

Thank you for being with us this morning. Your leadership in this community is renowned for fighting drugs both on the demand side and the side of enforcement and, of course, the side of rehabilitation, deterrence, and education.

We will put your full statement in the record, if you would like.

STATEMENT OF HON. DAVID N. DINKINS, MAYOR, CITY OF NEW YORK

Mayor DINKINS. Thank you, Mr. Chairman and Senator D'Amato.

Mr. Chairman, Senator D'Amato, I thank you for this opportunity to testify today. I especially thank you for holding this hearing here in New York City, for there is no doubt that, by any measure, our city, unfortunately and tragically, is a high-intensity drug trafficking area.

The Bush administration has recognized this reality by designating New York City and certain surrounding counties as an area eligible for funding under the emergency assistance program you are considering this morning. We are grateful for the administration's recognition that New York requires special help and attention in the effort to turn back the tide of drugs and the pain and despair it inflicts on our people and communities.

But while we appreciate the administration's willingness to contribute to our antidrug efforts here in New York, we believe that the program proposed by the administration for high-intensity drug zones would fall far short of what is required.

We need focused, high intensity assistance, just the sort of program Congress contemplated when it included this initiative in the national drug strategy 2 years ago. But the program the administration proposes contains serious flaws.

Let me be clear; we will take any help we can get. But we believe that the administration's proposal fails to address the problem. It would provide no more than token assistance, and even that would be misdirected.

The administration's initiative contains three disabling flaws, any one of which would render the program ineffective.

First, the proposed level of funding is plainly inadequate to cope with the volume of illegal activity we face. Assuming that the proposed $50 million is allocated evenly among the five designated areas, the New York area would receive less than $1 per person to fight drug trafficking.

Mr. Chairman, Senator D'Amato, I think you will both agree that $1 a person does not deserve the label high intensity assistance.

Yet that is only the beginning of our concern.

The second problem involves not how much money the program provides, but rather who will spend it. The administration proposes to avoid local government completely. That approach not only violates the spirit of federalism to which this National Government purports to be committed, but it also ignores the reality of antidrug efforts already in place at the municipal, State, and Federal levels.

We agree that the Federal Government must increase its involvement. The drug industry does not recognize National or State boundaries, so the Federal Government must take a more active role in drug enforcement and interdiction. Drugs flow into this city from around the world. Drug buyers from neighboring States cruise our streets looking to score. Dealers use our city as a distribution hub for their far flung networks.

But an intensified Federal effort aimed at drug cartels would not help us stem demand, bring defendants to trial or incarcerate the violent criminal. As a result, the administration proposal would leave us facing the same conditions now before us, waging a national war with local dollars.

Consider just a few facts: Over the past 4 years, New York City has experienced a 76-percent increase in felony indictments.

About 83 percent of those who pass through central booking test positive for illicit substances, so we know that drugs play a part in the lives of five of every six people arrested for serious crime. And the war on drugs consumes more of our resources in law enforce-

ment than any other activity, with narcotics offenses representing one of every three cases in New York.

We already spend more than $500 million a year on antidrug law enforcement efforts in New York City. That's just one of the reasons why the 10 million dollars' worth of enforcement effort proposed by the administration would represent a marginal addition, particularly when it is apportioned not only among the five boroughs but also among three suburban counties.

Even as an addition, using the money to expand Federal enforcement efforts only duplicates the work we already perform.

New York has a long and healthy tradition of Federal, State, and local cooperation on local law enforcement-drug enforcement operations. So I have no doubt that if the administration proposal prevails and the high-intensity aid is used to deploy additional Federal agents, that it will be effectively utilized.

However, I do not believe that it would be best utilized through such a federally controlled program. Our local officials know the needs best; they face the most immediate and most pressing problems; and they are the ones who should implement the special aid to be provided from Washington.

Direct funding is the only way to make the high-intensity zone concept work, for, without it, this initiative would simply concentrate the additional resources in select areas. Success in this effort requires more than that. It requires more intensive, better coordinated efforts at the local level in cooperation with the relevant State and Federal agencies and authorities.

New York is well on the way toward the development of a comprehensive strategy that could make the benefits of such direct Federal funding enormous and immediate. Last month, in my budget for fiscal year 1991, I proposed that the city spend $13.3 million for a drug treatment and enforcement program.

This package includes $9.8 million in city funds and $3.5 million from other sources. If adopted, it would add 1,340 drug treatment slots for pregnant women, transform nine schools into community drug prevention centers, expand drug research and education and intensify law enforcement programs.

This antidrug investment strategy is based, in large part, on recommendations made by my study group on drug abuse, a 15-member committee of experts I appointed in January, chaired by former U.S. Attorney General Nicholas D.B. Katzenbach.

My study group spent more than 4 months reviewing local laws, regulations, and programs in the area of antidrug efforts. So we know the needs; we have set priorities; we are developing the mechanisms to improve drug enforcement, treatment, and education; and we deserve the opportunity to help ourselves.

Grants made directly from Washington to New York City could be channeled into our existing efforts quickly, efficiently, and effectively, and the Federal Government would be assured that its investment would earn the maximum possible return.

The analysis conducted by the Katzenbach study group confirms at the local level much of the policy ambitions adopted by Congress in the 1988 drug bill. As suggested in that bill, we have recommended a balanced split in resources between law enforcement on the one hand and treatment and education on the other.

As my good friend, the chairman of the House Select Committee on Narcotics, Charlie Rangel, has said so many times: "We must be concerned not only with the victims of crime but with the victims of drugs as well."

By allocating all of the high-intensity assistance to law enforcement, the administration continues its misdirected emphasis on a drug strategy that fails to support drug treatment. For instance, last year the administration allocated 73 percent of antidrug funds for law enforcement and only 27 percent for treatment.

I have no quarrel with law enforcement efforts. We want them; we need them; and we are working hard, despite our limited resources, to enhance those efforts on the local level.

But drug enforcement must be accompanied by a comprehensive strategy that includes drug treatment and education.

At the local level, this year, we will ensure that any pregnant addicted woman who wants treatment will get treatment. But that is only the start of what we need if we are tc wage a successful war on drugs. For the administration to authorize a program to provide assistance in high-intensity drugs zones while prohibiting any of the funding from being used for treatment is self-defeating. Congress recommended the proper approach 2 years ago, a balanced program of enforcement, treatment, and education.

The Drug Emergency Areas Act of 1990, S. 2313, remedies many of the flaws in the administration's proposal. It specifically instructs that the special aid to be authorized under this initiative shall be balanced evenly between drug supply reduction and drug demand reduction efforts, unless State or local conditions dictate otherwise.

By allocating funding through direct grants to State and local authorities, this bipartisan alternative ensures that local needs and local strategies will be realized, fueling the development of intensified antidrug efforts at the local level.

And most of all, by authorizing $300 million, and up to $50 million of it for any designated area, S. 2313 incorporates a far more realistic picture of the demands faced by local officials in their antidrug efforts.

Six months ago, even before I had been inaugurated as mayor, I traveled to Washington to testify before Senator Biden's Judiciary Committee on this issue.

I am certainly pleased that the legislation crafted by him and by other Senators, including both of the distinguished Senators here today, incorporates many of the concerns and recommendations I made in my previous testimony.

The higher funding I endorsed in December is included in this legislation.

The direct local funding that is essential for local flexibility and effectiveness is included in this bill.

And the need for a balanced, comprehensive approach that I discussed at length with Senator Biden is incorporated in this legislation as well.

So we have made progress on this issue, but it is essential that this program be enacted, in full, and that New York see the benefits of this initiative, this year.

I cannot emphasize enough the urgency and importance of this matter. In December I told Senator Biden's committee that I was testifying as mayor-elect "because drug abuse does not wait for the orderly transition of government power; because our city, and cities across America, are under siege; and because the Federal Government has evaded the emergency of urban America."

In the 6 months that have transpired, New York City has conducted a full review of our drug policies and programs; proposed substantial new funding for treatment, education, and law enforcement; initiated an internal reorganization of our own administrative process in this area; and laid a foundation for a concerted, multiyear program that can make a real difference.

But all of our local efforts and all of the local resources we are devoting, for which we are compelled to raise substantial new revenues, will not be enough. We simply cannot fight this fight by ourselves. We need your help.

The Drug Emergency Areas Act of 1990 provides significantly more, and substantially better, assistance than the administration has proposed. I urge that you continue your efforts to provide us with the resources we need to help ourselves. And, as always, I stand ready to help in any way I can.

With your assistance and your leadership, we can raise our Nation's cities out of the quagmire of inattention in which they have been mired in Washington for too many years now. The scourge of drugs obviously demands immediate and enormous attention, and we in New York City appreciate your interest and your efforts.

Thank you for the opportunity to testify.

Senator DECONCINI. Thank you.

I read your testimony at the judiciary hearings that supported Senator Biden's 1990 bill. We are going to pass that, but it is only an authorization bill. It is a start in the right direction.

The problem that we face is finding the dollars to do that. Your suggestions were incorporated in that bill, and they were extremely helpful.

If we are able to direct more of this money to local law enforcement, a proposal of which I have been supportive, as has the Senator from New York, what direction can you give us besides what has already come forth in the strategy and in the plans thus far? How do we know that the local law enforcement level will say we will get x million dollars here and we will reduce the drug problem? Is it fair to make it a matching amount of money, what do you think we should consider?

Mayor DINKINS. Local level wants to provide more ourselves. Indeed, with the budget gap we have of $1.8 billion and, nonetheless, we are spending $40 million for new things, some of which is to fund the program that I am speaking of here.

Some of that money will go to the district attorney, $1.2 or $1.5 million. That shows you that in times of austerity, that is difficult to do, and we can fill the gap only by reduction of services, productivity, and taxes.

Nonetheless, we are directing some of this money for this purpose, recognizing that the five district attorneys and the citywide special narcotics prosecutor in New York do a wonderful, wonderful job, along with the Federal agencies.

Senator DECONCINI. Is it unfair for the Government to say that whatever moneys may come to the New York City Police Department for drug enforcement initiatives that the city undertakes that there can be no reduction made?

Mayor DINKINS. No; that's quite reasonable.

Senator DECONCINI. Is it reasonable to ask if the Government can get rid of the B–2 bombers, the cities must increase their contribution and match the Federal Government one for one, or 50 cents to the $1?

Mayor DINKINS. That's more difficult imminently. We want to match as best we can to bring in as much revenue as we can.

As you know, the entire Northeast region, and also those places in our country where we are faced with a downturn in revenue, we started fiscal 1989, which commences July 1, 1989, with a balanced budget, and by October we were $530 million short. Before we got out of the calendar year, several hundred million more, and this is all before I took office.

It is not the blame of the prior administration, but because of revenue projections falling short.

I would not want to hinge our ability in this war against drugs on a matching basis. I am confident that we will do all we can to match the funds.

We are spending money now without that possibility.

Senator DECONCINI. Didn't I read that there is a freeze in the police force now?

Mayor DINKINS. No.

Senator DECONCINI. Does that include the drug area?

Mayor DINKINS. What we have done with the police in my February 1990 plan, looking toward a budget that we will hopefully adopt this week, was to say that we would like to have 4,000 police officers in training for fiscal 1991.

We have not been able to do that. What we have done is to plan for a class of in excess of 2,700.

Through civilianization we will replace some functions performed by police officers with civilians and release the police officers. In addition, some of the ticketing functions, summonses, and traffic summonses done by police officers will be done by a traffic enforcement unit not made up of police officers.

This allocation will give us the cop on the beat, so to speak, in fiscal 1991, at least as great as in fiscal 1990.

Senator DECONCINI. So that there is not a freeze?

Mayor DINKINS. We just want to hire more.

As a matter of fact, I should say that we have in Dr. Lee Patrick Brown, the finest law enforcement person in our Nation. I think that he is tremendous.

We have been fortunate to persuade Judge Milton Moran to step down from the bench. We are concentrating in this area.

And you will be told by the law enforcement people in the city that it is the attitude of the five district attorneys and Sterling Johnson, special narcotics prosecutor, and Bob Stuttman, who used to say the same thing; to wit, education and treatment is essential, not simply law enforcement.

We are unfair to our law enforcement people when we as a society need to take certain responsibilities in the social and education

area, but instead, we turn to the law enforcement people and say, solve the problem.

Senator DECONCINI. I couldn't agree with you more. It is a matter of priorities and a matter of having to draw the lines.

It is clear to me that you cannot just single out law enforcement and put all of your resources in that basket.

I thank you for your leadership. In the short tenure that you have been here, you have drawn the emphasis on the city's need for treatment facilities, and it is commendable.

Mayor DINKINS. Thank you.

I thank my friend, Senator D'Amato, as well.

Senator D'AMATO. Let me share with you one of the experiences I had.

We fought to get additional moneys for education. It was a tough battle, and we were able to get it.

Then we found that New York City was in danger at one point, about 1 year ago or so, of actually forfeiting, and came close to the deadline of using educational funds; that for a variety of reasons, the State being one of them, and the local school boards, with the central board not having gotten their applications into the State, and so we had a meeting with Chancellor Green.

I believe we were able to get that $5 million. That would appear to me to be a major problem, the problem being that here the city of New York has to go to the State to get funds that really are going to be used in their education programs, in their treatment programs, et cetera, and that it takes 3 years to get 1 year's worth of money.

We are 3 years behind. Would you be supportive of a change in the formula as it relates to making possible for our larger cities to be eligible for funds directly?

Mayor DINKINS. Yes, I would, very much so. Absolutely.

Senator D'AMATO. Let me say this to you.

I will be looking forward to working with you and the League of Mayors, and particularly the larger cities.

I can understand where the State capital might want to be involved as it relates to overall planning, and in particular, with small communities. It seems to me that cities such as New York, Philadelphia, Boston, Chicago, should not have to, while the applications go from one bureaucrat to another and then back to the city, and having to wait 3 years.

I think that is an area that we can do a lot better in.

Mayor DINKINS. I certainly agree.

That's the position of the U.S. Conference of Mayors almost precisely as you have outlined it; that the funds go directly to the cities.

That is not to suggest that we don't have a good relationship with our States——

Senator D'AMATO. This took place prior to your administration.

We have provided a modest increase, 13 percent nationwide, as it relates to the Federal grant programs in the area of the whole drug problem.

When I say the whole drug problem, I mean justice grants, public housing grants, job training, drug-free schools, and right on down to Medicaid and Medicare.

New York being, as others have testified, on the law enforcement side, in crisis relating to the drug epidemic, and there is no area with a greater problem.

It seems to me that there should be a priority with the Federal Government to see that the antidrug funds cover the areas as well as law enforcement, that the Federal Government assign someone specifically for the city to cut through the redtape and get the grants processed when you need it.

Is there anyone assigned specifically from the drug czar's office to work through these problems?

Mayor DINKINS. I am not aware of it. That may be my failing.

Senator D'AMATO. I think the city is being shortchanged, that there should be someone designated in Washington at both the Justice level and at the level of the drug czar to help assist, because it doesn't make any sense to get a 13-percent increase, and then have to fight to get your share.

Public housing. New York should get its fair share in this area. That would be an area that I would like to suggest that we can work on, and maybe Senator DeConcini will aid in that, to see that we get a special coordinator or get a person who can be called to expedite the grants for New York City.

Mayor DINKINS. I think that would be very wonderful.

We are trying to see to it that we have people whose job it is to make sure that in the various agencies, in HUD and human services, and all other areas, that we are doing what we can to avoid the situation that you mentioned earlier, the $5.6 million for drug education. Timely application was not made for that. I have made reference to that in recent times.

That's to be avoided. While we need the Federal Government to do all it can to help us, as you have suggested, we too have an obligation to see that we are on top of things.

Senator D'AMATO. I am looking forward to working together with you to open up that pipeline.

Senator DECONCINI. The Senator brought up an idea earlier. He asked about trying to establish a drug-free housing project.

We don't have these types of projects where I come from; we have drugs coming in airplanes, through tunnels, and across the border, but we don't have it as concentrated as in the housing projects here.

Is there any thought to adopting a public housing project and making it drug free?

Mayor DINKINS. I have the same idea about our schools. The drug-free zones around the schools, and increased sanctions for people who commit drug-related crimes within a certain radius. We are doing that now.

With respect to the housing projects we have in New York City, the best in the Nation, it is not perfect.

We complain about this and that, but it is clearly, I am told, the best in the Nation. I know of none better.

Personally, I guess it has been 1 year or 18 months ago now, I toured several housing projects with the variety of observations and complaints made, but in the area of drug trafficking the problem seemed to be not the people who live there, but those from the

outside who come into these places and almost take them over, in some cases, and intimidate and threaten the people who live there.

Senator DECONCINI. And they become part of the inside structure?

Mayor DINKINS. The tenants feel very helpless to do anything about it.

Senator DECONCINI. Do you have any plans to make housing projects drug-free zones?

Mayor DINKINS. Yes; we are working at it. We have a pretty good group.

I am grateful for this opportunity. I am so pleased that you came here to New York City for this.

Senator DECONCINI. Thank you, Mr. Mayor.

STATEMENT OF STANLEY MORRIS, DEPUTY DIRECTOR FOR SUPPLY REDUCTION, OFFICE OF NATIONAL DRUG CONTROL POLICY

ACCOMPANIED BY:

CHARLES E. ROSE, EXECUTIVE ASSISTANT, U.S. ATTORNEY, EASTERN DISTRICT OF NEW YORK

DAVID DENTON, SENIOR COUNSEL, U.S. ATTORNEY, SOUTHERN DISTRICT OF NEW YORK

Senator DECONCINI. We will have Stanley Morris, Charles Rose, and David Denton.

Mr. Morris.

Mr. MORRIS. I have listened to the prior panels here. I would like to make a few general observations.

With me is Mr. Charles Rose, who I think you mentioned is with the high-intensity drug coordinating area designated by the Department of Justice. He is also a U.S. attorney for the Eastern District of New York. Mr. David Denton represents the U.S. Attorney Obermeir; we are in his district, and we have to have a Southern District representative.

The drug strategy, released in January, designated five areas as high-intensity drug trafficking areas.

It is very important to note several facts, at least as we view them, from the Office of National Drug Control Policy.

The first is that this is, in fact, a law enforcement designation. Mayor Dinkins was concerned that inadequate attention was being placed in the area of treatment and demand, generally, prevention.

I would respectfully disagree with him. It was supposed to be a law enforcement designation, and that is the basis upon which the areas were selected.

Second, the $25 million that Congress appropriated in November and the $50 million, as requested for fiscal year 1991, are just a part of what the designation means.

We met in December and in January on several occasions with all of the various law enforcement agencies. We directed that they give significant consideration to the 1990 and 1991 budgets which deal with the determination that these five areas were significant in terms of drug trafficking and deserved major law enforcement increases.

In New York City alone we added 31 percent in 1990, and 1991, if the present budget is enacted—350 additional police officers and

agents, including some additional positions in the U.S. attorney's office and 86 additional in DEA, and 15 in INS, et cetera.

There was an increase by 300 percent in 1991 to the city of New York and State of New York. That's essentially an aspect, not the entire part of the administration's strategy.

The concept is to put pressure across the board in all of the areas in which we can make a difference, and where we believe that there are vulnerabilities that major prevention can improve the situation.

That was underlining our designations. We have gone through a lengthy process.

I know that Senator D'Amato pointed out that he was concerned about the amount of time that it takes.

It takes time. This is a brand new program. The designations ran to the end of January.

We required the two departments that we directed to play a leadership role to organize themselves to pick people both in Washington as well as the field level, to establish a set of coordination procedures, to develop a strategy.

Over the last month the strategies have been coordinated between the Departments of Justice and Treasury for 1990 and 1991, and to receive on June 20 the final results of that.

Those proposals include the spending of the resources between each of the five areas.

It is our full intention to make a final decision on the exact level of resources by the end of this week. That will give us 3 months to spend the funds. That is a bit slower than we desire.

I think that we are as impatient as this committee is impatient in getting on with the job. I think that it is unfair not to realize the complexity of the challenge before them.

Along the Southwest border we have four States and we have six judicial districts. We have multiple shares of police officers, and they have come up with a 140-page, very complicated draft strategy. We have the resources this year, with a direction for next year.

That had to be completed before we could come up with a comprehensive strategy for all of the five areas.

In summary, I think that we have gone through an important, difficult, and challenging process.

It is our intention to make the final decision on the plan this week. I have promised your staff that the committees will have the plans by the end of the week. We are confident that we will not waste the funds.

[The statement follows:]

STATEMENT OF STANLEY MORRIS

Good morning. I would like to thank you for the opportunity to address this subcommittee hearing on the high-intensity drug trafficking area program. I look forward to a productive working relationship with the members of this subcommittee.

The war on drugs is being waged on many fronts. The national strategy describes a balanced plan of attack for all levels of government, for private industry, and for all American citizens. There is no single initiative, no one tactic that will solve our drug problems.

The strategy provides an integrated national policy aimed at the complicated array of problems posed by illegal drugs. The high-intensity drug trafficking area [HIDTA] program is one small step in the consolidated national campaign against illegal drugs. The HIDTA program will not win this war alone. However, it will help

to strengthen our criminal justice systems—Federal, State, and local—which attack all aspects of the drug problem.

The HIDTA program that has been planned and implemented by the Office of National Drug Control Policy [ONDCP] was established by Congress in the Anti-Drug Abuse Act of 1988. Section 1005 of the act requires a number of criteria to be considered in designating localities in the United States as high-intensity drug trafficking areas:

First, the extent to which the area is a center of illegal drug production, manufacturing, importation, or distribution;

Second, the extent to which State and local law enforcement agencies have committed resources to respond to the drug trafficking problem in the area, thereby indicating a determination to respond aggressively to the problem;

Third, the extent to which drug-related activities in the area are having a harmful impact in other areas of the country; and

Fourth, the extent to which a significant increase in allocation of Federal resources is necessary to respond adequately to drug-related activities in the area.

The President's first national drug control strategy, which was published in September 1989, 6 months after the organization of this office, and only 8 months after the inception of this administration. It considered the subject of high-intensity drug trafficking areas. Because it was required to be promulgated in September—off the budget cycle—no high intensity drug trafficking area designations were made in the 1989 strategy. Subsequent legislation mandated the designations by February 1, 1990.

The 1990 national drug control strategy designates five areas of the United States as high-intensity drug trafficking areas: New York, Miami, Houston, Los Angeles, and the Southwest border.

These areas were designated because of the seriousness of their drug trafficking problems and the effects that drugs flowing through these areas have on other parts of the country.

The designations were the result of continued, intensified research at ONDCP subsequent to the 1989 strategy. Because of the statutory focus on drug trafficking, our research focused on the quantitative and qualitative indicators of drug trafficking.

In selecting the areas designated, we relied on:

The Federal Bureau of Investigation's system for classifying U.S. cities as first, second or third level drug distribution centers.

Pursuant to this system, major drug trafficking organizations are defined by the FBI as groups or entities responsible for the multijurisdictional trafficking of significant quantities of cocaine, heroin, or marijuana routed from other countries, and having the structure, hierarchy, and other evidence to suggest that individuals in the organizations are violating the continuing criminal enterprise provisions of the Controlled Substances Act.

The four metropolitan areas designated as high-intensity drug trafficking areas are all classified as level I drug distribution centers by the FBI.

The Drug Enforcement Administration's geographic drug enforcement profiles.

These profiles contain both qualitative and quantitative information on drug trafficking activities. Investigations involving a violator who heads a criminal organization managing five or more people from whom he receives substantial income or resources and who trafficks in large amounts of controlled substances are considered class I cases. Class II cases involve violators who manage three or more people and traffic in smaller amounts of drugs.

Our research demonstrated that in the FBI's level I cities, there are an average of 1,240 DEA class I investigations per city, 2½ times the number of such investigations in level II cities. DEA's class I investigations of Colombian cartel cases are focused predominately in the level I cities as well. Each level I city shows between 30 and 40 cartel investigations being conducted by DEA. On average, there are seven times as many Colombian cartel investigations being conducted in the FBI's level I cities as in the level II cities. The high number of DEA's class I and II investigations in San Diego and along the Southwest border supports the designation of that area.

In addition to the FBI and DEA criteria, we relied on intelligence reports from drug control program agencies in selecting the areas designated. Also, drug trafficking patterns through each of the five designated areas reinforce our designations.

For example, New York City is a prominent importation center for heroin from Southeast and Southwest Asia, and for cocaine and marijuana from South America. Distributors in New York City supply significant quantities of heroin, cocaine hydrochloride, and crack to many Northeastern, mid-Atlantic States, and the District of Columbia.

The data confirmed that the Southwest border had become a principal area through which a major portion of illegal drugs are smuggled into the United States. Further, the data revealed that the four designated cities are clearly significant drug trafficking areas.

The 1990 strategy defined a coordination structure for the focusing, integration, and balancing of Federal efforts in each of the high intensity drug trafficking areas. To ensure overall coordination of the effort, the strategy created two committees of the supply reduction working group to coordinate the overall HIDTA effort. The Metropolitan HIDTA Committee, chaired by the Department of Justice, has the responsibility for HIDTA coordination in the metropolitan areas of New York, Miami, Houston, and Los Angeles. The Southwest Border Committee, chaired by the Department of the Treasury, has responsibility for coordination in the Southwest border area.

The HIDTA lead agencies have accomplished a number of implementing actions. These include:

Designation of senior Department officials to chair the interagency Metropolitan and Southwest Border HIDTA Committees;

Assignment of a senior official in each area to serve as HIDTA coordinator, with reporting responsibility to the chairman of the appropriate HIDTA Committee; and

Preparation of long-range plans for consulting with State and local officials, developing proposals to refine specific area designations, conducting research, assessing the needs of each area, and making recommendations as to the allocation of HIDTA funds.

ONDCP established the guidelines for the implementing actions of both HIDTA Committees and actively participated in the planning and implementation process. The guidance included:

Federal, State, and local law enforcement communities will jointly participate in the assessment process and the development of implementation plans.

The precise areas included by the HIDTA designations will be developed at the local level and are subject to change according to local circumstances.

The funds allocated, $25 million this year and $50 million proposed for fiscal year 1991, will be used to enhance law enforcement efforts against drug trafficking organizations.

These funds are not intended to be used as State grant money nor as a supplement to State's law enforcement initiatives. They are, however, to be used in the designated areas for law enforcement purposes which includes the entire law enforcement community in the particular area.

I was pleased to work with representatives of the Justice and Treasury Departments when, at the inception of the program, we visited the HIDTA areas and met with Federal, State, and local officials. I believe this enhancement of our national drug reduction effort is well underway because of our combined efforts to inform the leading regional officials about the impact of the designations.

The first of these trips was to Houston, Texas on February 15 and 16, 1990, to address the Southwest Border Joint Command Group of Operation Alliance and the Houston officials. Assistant Secretary of Treasury for Enforcement, Peter Nunez, and Associate Deputy Attorney General Jonathan Feld, accompanied me on this trip.

We met with Federal, State, and local law enforcement, prosecutorial, and judicial officials. I also met privately with the four border States' drug program coordinators, and Mayor Kathy Whitmire.

The following week, February 18 and 19, 1990, Director Bennett and I traveled to Los Angeles and San Diego and met with Federal, State and local officials.

On March 6 and 7, 1990, I met with several officials in the New York area, including Police Commissioner Lee Brown, New York drug prosecutor, Sterling Johnson, and the three U.S. attorneys (Manhattan, Brooklyn, and Newark) in the New York area. We discussed the designation of New York and scheduled a meeting of the law enforcement officials for later in the month.

On March 22 and 23, 1990, Jonathan Feld and I met with Federal, State, and local officials from Broward, Dade, and Monroe Counties. We also met with Federal and State judicial officials and the Miami Coalition.

The New York meeting with Federal, State, and local law enforcement officials was held on March 28, 1990. Jonathan Feld, again, accompanied me on this last HIDTA trip. A representative of Senator Alfonse D'Amato participated in this meeting as well.

At each of the meetings, the U.S. attorney and senior Federal law enforcement officials were present. The HIDTA area coordinators also participated in the meetings when those positions were designated.

The high-intensity drug trafficking areas will see substantial increases in Federal resources:

Total Justice, Treasury, and Transportation law enforcement budget resources in the designated areas in fiscal year 1991 are 38 percent more than fiscal year 1989 levels. Resources for these agencies' law enforcement efforts increase from an estimated $701 million in fiscal year 1989 to $964 million in fiscal year 1991. Personnel resources—including Federal agents, investigators, and prosecutors—in the designated areas in fiscal year 1991 are approximately 26 percent more than fiscal year 1989 levels.

Total drug-program resources available from all agencies increase from $814 million in fiscal year 1989 to $1.2 billion in fiscal year 1990, and the administration is requesting nearly $1.4 billion for fiscal year 1991, a 70-percent increase.

Draft implementation plans were discussed at the meeting of the supply reduction working group [SRWG], on April 16, 1990, and submitted in detail to ONDCP on June 20, 1990. Large-scale drug trafficking organizations involve an array of Federal criminal offenses, ranging from racketeering and tax evasion, to import/export law violations and violations of the Federal firearms laws. Mounting successful attacks on trafficking and money laundering organizations often exceeds the capabilities of individual law enforcement agencies.

For these reasons, the near term HIDTA program will be based on increased investigatory resources, coordinated multiagency efforts, and close coordination with and support of State and local law enforcement.

The proposals submitted for the metropolitan areas and the Southwest border area include recommendations to direct the reassignment of Federal personnel to the areas.

The metropolitan HIDTA strategy focuses on the establishment of law enforcement initiatives and the attendant purchase of needed equipment. The plan would: support the establishment of multiagency task forces and intelligence operations; purchase sophisticated equipment for use by the law enforcement community in the area; and, expand and enhance existing Federal-State-local programs which focus on money laundering and interdiction efforts.

The proposal would establish a plan to identify enhancements needed for an improved law enforcement training and education program; form a Federal-State-local unit to investigate and prosecute drug-related homicides; and, enhance inspection efforts at marine and airports.

The Southwest border plan includes Federal, State, local and military efforts, and would: enhance intelligence collection, analysis and use; create multiagency rapid response teams at and between ports of entry; expand National Guard and military participation in support of law enforcement; and support a number of multiagency operations and task force proposals.

The plan calls for increased compliance efforts and training presentations to border financial institutions; forming asset removal teams and fugitive task forces; and, coordination between U.S. attorneys and State prosecutors to ensure drug case prosecutions.

Both of the proposed plans emphasize the need to coordinate Federal, State, and local law enforcement and prosecution efforts in, and between each high-intensity area.

The detailed HIDTA implementation plans that were submitted to ONDCP on June 20, 1990, will be expeditiously reviewed by ONDCP, and the fiscal year 1990 appropriated funds will be made available to the Departments of Justice and Treasury for disbursement according to the approved resource allocation proposal. The program emphasis will be on improved coordination of Federal, State, and local law enforcement resources to apply additional criminal justice pressure targeted against drug trafficking organizations in the HIDTA areas.

The plans under review would allocate approximately $10 million in HIDTA funds to the Southwest border area, and more than $14 million to the metropolitan areas, almost evenly divided among the four cities.

The Anti-Drug Abuse Act of 1988 requires that the Director report to Congress by March 1, 1991, on the effectiveness of, and need for, the designation of HIDTA's.

The enhancement of Federal resources to the HIDTA areas is well underway. We will continue to measure the progress of this highly visible part of the national strategy, and will report to Congress on the effectiveness of the HIDTA initiative.

With these remarks I would turn to questions or observations you might have.

Senator DECONCINI. Thank you.

Mr. Rose.

Mr. ROSE. No prepared statement.

I would like to address myself to something you asked of the law enforcement agents, which was if they had a wish list, what would they want, how many agents would they want if they could have them tomorrow.

In coordinating the funding issue, I can tell you that the people we met with have been in the business of drug enforcement for many years. It was not an issue of gathering together our agents and discussing what our needs are. It is something that we have been discussing since we have been together, for the past 10 years that I have been prosecutor. These issues have always been the subject of discussions.

What I have learned is that it is time for us to decide what we want and what we need, and what we could use.

What became the problem, and what I suggest you could fix in your capacity, is that the HIDTA designation is a special program, and as a special program, it should have special rules.

It is very frustrating for us to sit around and say that we have been hindered in our investigations because of lack of adequate resources. We need the resources yesterday.

I can name ongoing investigations that suffer right now from lack of investigative resources that we believe we could address through the high-intensity drug program.

Yesterday at Kennedy Airport I was confronted with a situation that would have been cleared with the funding. It would take months, the contracts, the bidding process—the entire bureaucratic redtape that it takes to purchase a piece of equipment, and my suggestion is, if you have the concern that you do, then institute special rules for the special program.

We know what we need. We know what we needed yesterday, and it's simply something that we need to get done right away.

If there can be special funding rules for this program, we can institute our plan. Despite the fact that we started in March and today is June 25, we can have the equipment and we can be on our way well before the September deadline if we can use the special funding rules or make exceptions to the rules that we have.

Thank you.

Mr. DENTON. If I may comment on a few themes that have appeared in the testimony of other witnesses today and some comments that you Senators have made, it might be helpful.

Specifically with respect to the HIDTA program, you have heard every law enforcement officer here today speak about the level of cooperation between the agencies.

In fact, 10 or 12 years ago you would have heard precisely the same——

Senator DECONCINI. I beg your pardon, I was here 7 years ago, and I did not hear the same thing, right here in this room.

Mr. DENTON. In 13 years as a prosecutor here, sometimes as an observer of interagency squabbles and sometime as a participant, I can tell you that the landscape has changed dramatically, and what you have heard today are the cases and the agencies are working together in exceptional fashion.

The HIDTA program, in my opinion, really only enhances that effort, because as each agency deals with its own budget and procurement problems, it is doing so within the confines of its own

agency. They work together on their own cases and share resources from time to time.

HIDTA allows the agencies to come together and develop an overall strategy. Let us pool our requirements and try to come up with a comprehensive strategy to spend what is a limited amount of money. It is not seed money because the seeds are well planted, but fertilizer money.

I have also heard a great deal about how the $4 million that is spent in New York does not come anywhere near to what is needed.

That's very true. That's a very important first step.

If I may comment on what both the Senators have asked about and many of the witnesses have commented on, and that is the idea of ridding our public housing projects of the drug people. There is a great deal of attention being paid to this idea right now.

We, my office, in conjunction with the housing police and city police, have made a number of cases at the Eatonwald Projects in the Bronx. What that is, I will state to you, also, is the importance of a concentrated effort in a limited geographic area. It is clearly important to do that.

We have had many years of experience in the Federal day program where we were taking into Federal court many of the arrests made by local police within the city.

That program lasted for approximately 6 years. We found that it was most effective when most concentrated. We believe that's the way to go with the housing projects.

We are working now with the ATF and the Bronx District Attorney's Office. We mean to continue that, and we hope to achieve some of the goals that you Senators have mentioned today.

The positive thing coming out of that project is the outpouring of community support when they feel that the support is both wanted and effective.

There has been for many years the attitude of people, what are they—the law enforcement community—doing about the drug problem.

There is a growing sense now in the Department, about what we can do about the drug problem in our area.

We are very committed and we hope for much more success in the area of providing decent housing for decent people. Let's get the drug dealers out of the subsidized housing and let's fill the apartments with people who are on the waiting lists who are not drug dealers.

Senator DECONCINI. You made a statement about the five areas earlier.

In your judgment, is there any prohibition in your designation, whatever the funds may be, $25 million or $5 million, or whatever is appropriate, that they could be used for treatment or education?

Mr. MORRIS. I have the advantage of not being a lawyer. I am always willing to give legal interpretations, because I cannot be disbarred.

My reading of the law is quite clear in that it was intended to focus on drug trafficking. That's the basis upon which we identify the areas. I think it would be a mistake to dilute it.

I don't believe under the law that you can do that, but I would defer to our counsel.

Senator DECONCINI. Certainly it could, if Congress were——

Mr. MORRIS. Certainly, as the bill would suggest, it would be incumbent upon the areas to be selected. We would be in a position of either expanding or changing the designations, be it the Southwest border, Detroit, or wherever.

Senator DECONCINI. You spoke about a lot of resources coming aside from the $25 million as certainly limited in the way of dollars. What other resources have been directed to the New York high-intensity drug area as a result of your designation in addition to the $25 million?

Mr. MORRIS. We have asked each of the agencies to assess their needs in this area.

In New York, as I mentioned briefly earlier, we would have added—assuming the present judgment is enacted in 1991, $50 million and 350 agents just in New York City alone.

Senator DECONCINI. In what areas?

Mr. MORRIS. There are 70 in the U.S. attorney's office, 86 in the DEA, 21 in the FBI, 15 in INS, 18 in Customs and ATF, and there are some others.

Senator DECONCINI. Are those transfers from other positions?

Mr. MORRIS. They are new positions here.

Senator DECONCINI. Are they new in the FBI, or wherever?

Mr. MORRIS. I don't know the answer. I can find out for you.

Senator DECONCINI. Mr. Rose, you talk about the redtape and not being able to implement the plan; and ask why we do not do something about the redtape; why don't you do something about it?

Why doesn't the Justice Department suggest legislation if you have a problem in purchasing equipment?

You guys are the lawyers, and we would welcome some expedited procedures.

If that's the reason you cannot put something together here, then let us know.

Mr. ROSE. It is not a matter of getting it——

Senator DECONCINI. You said you could not get through the redtape to purchase equipment.

Mr. ROSE. When we originally learned of the program we hoped that it would be more like a wish list.

That is, agents involved could sit around and try to develop something new that had not been tried, experiment, basically, or provide a list of the equipment that they have needed for years and years, and we could give them that equipment with the first portion of the funds. And if accepted, when the next portion of the funds is designated, use that money for more experimentation.

I think that it is important that the program itself—it is a special program—involves experimentation into what is really needed.

It should not be the classic example, let's get more men, guns, weapons, and toys. It should be, let's think about something new, like what was suggested by Mr. Catterson, the concept of getting more State prosecutors.

Senator DECONCINI. I have a problem with what you are suggesting.

If you need 75 more people, and law enforcement said that they need more training money, and there should be a special homicide unit, are these things included in your strategy, and are you requesting money for them?

Mr. ROSE. Yes; the discussions that we are having with the Department are precisely that—let's suggest to the legislature how we need the money so we can cut through the redtape. I know what to buy.

Senator DECONCINI. Seventy-five new agents for ATF—all the agents you mentioned. You are going to include $600,000 or $700,000 that Mr. Johnson said is needed for a prosecutorial homicide unit, and you will provide the money for the coordinated training program—all of that is within your strategy?

Mr. ROSE. I think you have gone up to a $100 million, sir.

We have met with each of the persons that you have mentioned. I have talked to Chief Voelker, I met with Sterling several times, and was in Mr. Catterson's office with the Senator D'Amato. Everybody has had the opportunity to——

Senator DECONCINI. Did you meet with Customs and ATF?

Mr. ROSE. Yes; INS, IRS, DEA, FBI—everyone had an opportunity to submit their wish list. The problem is that the wish list goes beyond the limited resources here in New York.

Originally there was $5 million, and the first request was, let us give the agencies the equipment that they want in the first attack.

Then we learned the $5 million is now going to be $4 million.

Senator DECONCINI. We are not trying to satisfy a wish list.

Are you not drawing a strategy?

Mr. ROSE. Yes.

In that strategy, the enforcement agents, Federal, State, and local are the experts, and it is their input that is most important in where the funds should go. The strategy involves every one of them sitting at a table and discussing the best way to spend the money.

Senator DECONCINI. When does your strategy come out, your plan?

Mr. ROSE. It was submitted June 20.

Senator DECONCINI. When is the plan going to be out?

Mr. MORRIS. More in terms of the 1990 aspect of the proposal, it is our intention to provide those to the committee by the end of the week. We hope to be able to provide at least some reasonable anticipations of what would be there because the committee needs to mark up, and we need a basis for that.

Senator DECONCINI. We have been told there was not a lot of input from two of the Federal agencies, and in particular, ATF.

I hope that you have taken them into consideration. I realize that you cannot give them all what they want, but they are involved with a fundamental enforcement program in the public housing projects.

That should be considered.

Mr. ROSE. It is, sir. There was the first funding and the second funding, and those not given full budgetary consideration——

Senator DECONCINI. Thank you.

Senator D'AMATO. I have a problem. It is really rather distressing. I want to be understated and that is hard.

How do we spend the $4 million? And now it gets down to a matter of expending the money when we only have 3 months.

Now, you are not going to spend it if you put personnel in there, your spend out rates are such that you can only spend a fraction of that. Therefore, in order to utilize it, you have to purchase 4 million dollars' worth of equipment or else we will have forfeited most of this money; is that true?

Mr. MORRIS. That is correct.

Senator D'AMATO. I don't know how this came about. You are looking at me like I am not coming through to you.

Am I coming through?

Mr. ROSE. Yes, sir.

Senator D'AMATO. I don't know how this could be permitted to languish in a period of time, and if we don't utilize the funds we will have to purchase equipment. Isn't that what we have?

Mr. MORRIS. We have asked each of the five areas to put together a plan that looks at 1990 and 1991.

Senator D'AMATO. For 1990 we have a very limited period of time, and the New York metro area will get $4 million, and I wanted to say it in a nice way, but you really force my hand when we get together. It is like running into a wall.

Don't let me say the other thing. If I have to deal with you the way I have had to deal with you, I will tell you what I think one of the obstacles is, and it is in your office.

Here we have you look at the bookkeeping. You have to spend $4 million, and we have July, August, and September. You will only be putting a very limited amount of people that will not reflect your 1991 strategy, and buy a whole lot of equipment up front.

I hope you purchase the equipment and at least we get that done, and don't lose the $4 million.

That's not the way to undertake a war on drugs. If you have a problem between the Justice Department and the drug czar's office, we ought to knock it off with the personalities and get the job done. I will not go any further than that.

I would say this in defense of the HIDTA as it relates to the $25 million and then increases to the $50 million. I think, Mr. Chairman, the fund being so limited, if we were to attempt to allocate those funds for the area of education, the funds would be dissipated, and they should be kept in the law enforcement area.

That is not to minimize the necessity of getting the funding into the areas of education and rehabilitation. The funds being limited for such a large geographic area and the needs for law enforcement are so pressing that they would be diluted.

There are other grants—Justice grants, public housing grants, treatment, prevention, and drug-free schools, that will increase substantially.

What, if anything, will the drug czar's office be doing in attempting to help get this grant money to the HIDTA areas?

Have you any indication that the Justice Department Bureau will give priority to grant applications submitted by local government such as New York City? Charlie, are you aware of any?

Mr. ROSE. No, sir.

Our awareness was simply devoted to the law enforcement effort.

When we began the program, we were instructed that it was to be directed toward law enforcement. Our area was simply law enforcement.

Mr. MORRIS. Would you like an answer to your question, Senator?

Senator D'AMATO. It is bigger than you.

Mr. MORRIS. There is a special provision that says preference will be given to jurisdiction applying for HIDTA areas. That was in the regulations promulgated in March.

Senator D'AMATO. Is there anything that you will be doing to help in that determination? Will you be called upon to make any review as it relates to a Justice grant application that might come in, or a drug-free school application? Will you be called upon, or does that go just to the individual agency? Will the Education Department rule on the application for the drug free schools?

Mr. MORRIS. The Office of Drug Control Policy is to put the policy in place. The implementation will be the Justice Department. It is——

Senator D'AMATO. Do you have any observation?

Mr. DENTON. I was going to answer and give my understanding, which is that the Bureau of Justice program does give priority to the HIDTA areas and the application within those areas.

We share your concern about the timetable.

When the proposals were originally submitted by the various agencies to Mr. Rose, it was not clear exactly how much money was to be put in these areas or categories, and that has now been done.

Mr. Rose and the other agency heads will be talking this week and expect to put it in high gear and will not let the moneys lapse.

Senator D'AMATO. A number of people from Westchester, and the district attorney as well, and several Congressmen, want to know, with the question of HIDTA in the works, if you anticipate us receiving an answer of whether you will be including Westchester into the New York high-intensity drug trafficking area?

Mr. MORRIS. The first order is asking the coordinator, Mr. Rose, to make a recommendation to Justice and to us.

If there is such a representation, I see no reason why it would not be acted upon expeditiously.

Senator D'AMATO. Very good. Thank you.

Senator DECONCINI. How involved were you in the plan that Mr. Rose has put forth?

Mr. MORRIS. I spent quite an amount of money at the inception of the program and there was some confusion early on with Lee Brown or at the time that Charlie was being designated. I chaired the session at the end of March with all of the Federal, State, and local law enforcement agencies.

Senator DECONCINI. Did you work with Justice or with the Treasury Department in putting the plan together for New York or for the Southwest border, you or your office?

Mr. MORRIS. I tried to maintain a role of making sure that the four corners were articulated and not get my hands into the individual decisions, so that I maintained some distance in terms of reviewing. I was down in Houston when we kicked off the operations for the Southwest and in Houston a few weeks ago.

Senator DECONCINI. Was there thorough consultation between you and Justice or you and Treasury?

Mr. MORRIS. Yes.

I am not quite sure what Senator D'Amato's concerns are. There are no personalities involved here. I am here to defend the actions taken by Treasury and Justice.

We have put a budget together and sorted it and tried to coordinate hundreds of law enforcement, State, Federal, and local agencies in the various areas of the country——

Senator DECONCINI. I wanted to——

Mr. MORRIS. I understand some of the concerns, and one thing that is important to mention here is part of what the funds will be spent for. They will be spent for the quick and immediate move of some of the agents that have not been moved in quickly. Probably 20 percent of the total $25 million would go for a change of station transfers.

Senator DECONCINI. I am frustrated, as you can tell.

Twenty-five million dollars is not a lot of money for five high-intensity drug trafficking areas. My concern is that under this plan you review and approve them. Can you change the plans?

Mr. MORRIS. Yes.

Senator DECONCINI. You can say that I don't want to do this, but I want to do something else with it.

Mr. MORRIS. Yes.

Senator DECONCINI. Do you anticipate any changes in the plans or is that a premature question?

Mr. MORRIS. Probably premature.

I don't see any significant changes for this year. In New York, for example, the remarks made by Chief Voelker as to an approved training or task force operations would need would be looked at along with the murder unit that Mr. Johnson wants.

I think that the amount of money that we are getting with this fiscal year will go—I will make sure that you have that.

Senator DECONCINI. Did you have any further questions here?

Senator D'AMATO. Yes; the staff has advised me that I have deviated from the script in not asking the questions in a particular way with respect to the HIDTA and Westchester. It troubles me that I have to do this.

Mr. Denton and Mr. Rose. It perplexes you a bit. I think that I can be candid.

Mr. ROSE. I think I can eliminate all of the questions.

Senator D'AMATO. Are both of you supporting adding Westchester to the HIDTA?

Mr. ROSE. As I said, I can eliminate all of the questions by saying that I had a discussion just this morning with the Department of Justice, and the answer is yes.

Senator D'AMATO. It is my understanding that the county executive of Westchester has written to the Justice Department and asked for inclusion of Westchester in the HIDTA area.

Mr. ROSE. I am not aware of that.

Mr. DENTON. I am not.

Since Westchester is in the Southern District, can I give the committee the undertaking to look into this? We support it.

Mr. ROSE. This is very similar to when you indicated some interest in Suffolk.

What I suggested to Suffolk County is exactly what was done. They must submit a specific proposal of how they would use the funds or what new projects they would consider if they had the funds. And it was approved, to a great extent, because of your involvement, within a relatively short time.

You wanted it to happen on a Monday, and I wanted it to happen on a Friday.

Senator D'AMATO. That was after 3 months. That was 3 months prior to yours.

Mr. ROSE. In any event, the same procedures should happen with Westchester. There is no point in just picking out a specific geographic area.

Senator D'AMATO. Are we saying that the proposal for Westchester—should that be approved?

Mr. ROSE. Yes.

Senator D'AMATO. Before they are included, we want them to submit their plan?

Mr. ROSE. Yes; but not in a formal sense. I want to discuss it with various people——

Senator D'AMATO. Here you are.

When you leave this meeting——

Mr. ROSE. Wednesday at 10 o'clock, as a matter of fact.

Senator D'AMATO. Then you make your recommendation in writing to Mr. Morris, who then responds.

Mr. MORRIS. That is correct.

Senator D'AMATO. And the general rule is to take the recommendation of those with the expertise.

Mr. MORRIS. Yes.

Senator D'AMATO. Wonderful.

Senator DECONCINI. Thank you.

Mr. Morris, I thank you for coming up from Washington. I know that you have a lot of things on your platter here. It is important for us to establish a record here regarding what the funding needs are.

We have not had enough money to come anywhere near the money requested. A $100 million just in New York City is needed to fight the war on drugs it seems to me.

CONCLUSION OF HEARING

Thank you. The subcommittee will stand in recess subject to the call of the Chair.

That concludes our hearing for today.

I thank Senator D'Amato and his staff for all of their assistance and the help that they have rendered in organizing this hearing.

[Whereupon, at 1:35 p.m., Monday, June 25, the hearing was concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]

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